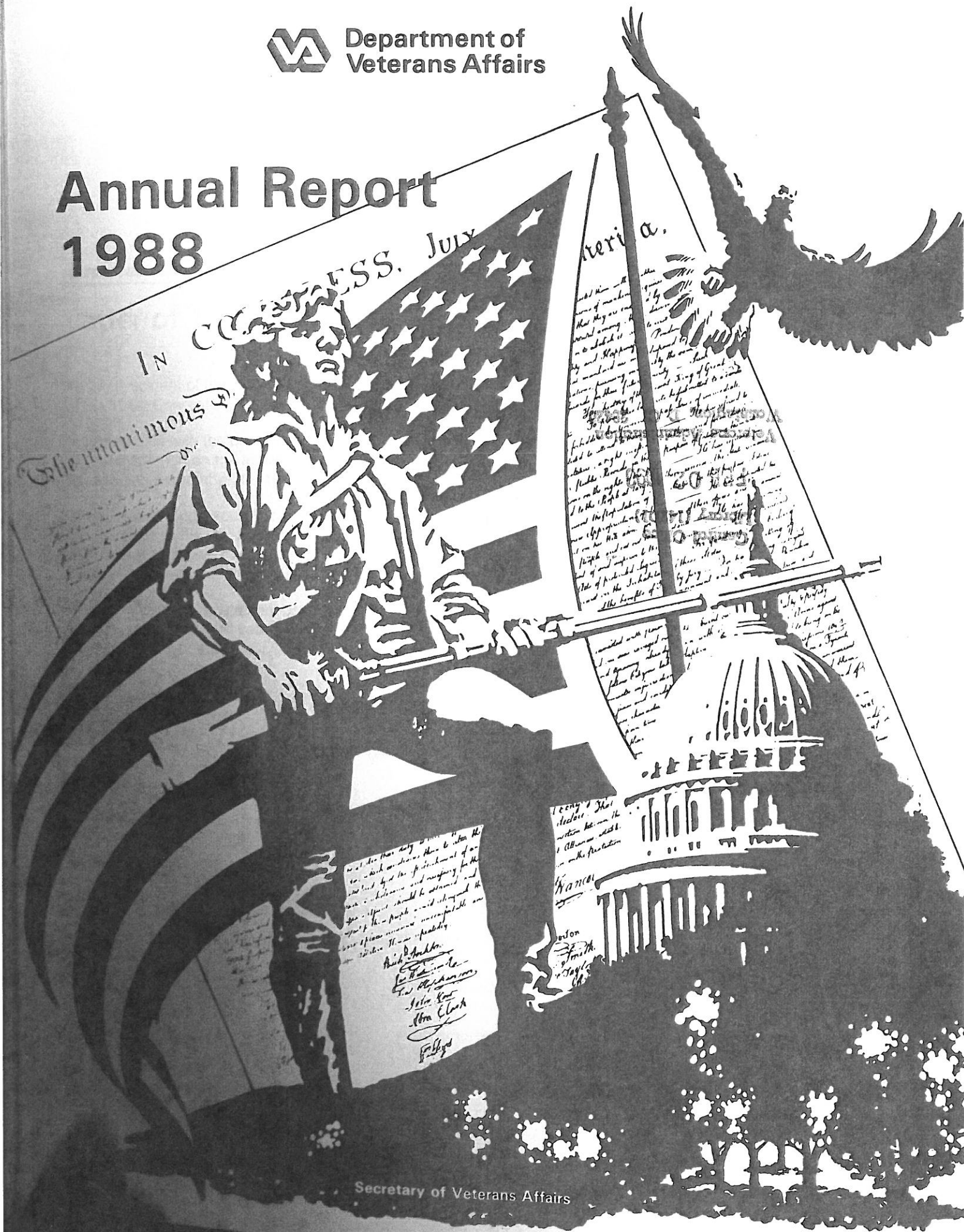




Department of
Veterans Affairs

Annual Report 1988



Secretary of Veterans Affairs

Annual Report 1988

Letter of Transmittal

To the President of the Senate and the Speaker of the House of Representatives of the 101st Congress:

In accordance with the provisions of section 214, title 38, U.S.C., I am pleased to submit this report on the activities of the Veterans Administration for the fiscal year ending September 30, 1988.

The VA has a long, proud tradition of service to America's veterans. As we begin our first year as the Department of Veterans Affairs, taking our rightful place at the Cabinet table, we have a tremendous legacy from which we can draw to prepare for the ever-changing needs of our veterans, both today and tomorrow.

This report serves as a record of our progress over the past year, as another chapter in the history of veterans affairs in America, and as part of our blueprint for meeting the needs of our veterans in the future.



A handwritten signature in cursive script that reads "Edward J. Derwinski".

Edward J. Derwinski
Secretary of Veterans Affairs

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Introduction

A Brief History of the VA

The United States has the most comprehensive system of assistance for veterans of any nation in the world. This benefits system traces its roots back to 1636, when the Pilgrims of Plymouth Colony were at war with the Pequot Indians. The Pilgrims passed a law which stated that disabled soldiers would be supported by the colony. The Continental Congress in 1776 encouraged enlistments during the Revolutionary War by providing pensions for soldiers who were disabled.

Direct medical and hospital care that was given to veterans in the early days of the Republic was provided by the individual states and communities. However, in 1811 the first domiciliary and medical facility for veterans was authorized by the Federal Government.

In the 19th century, the Nation's veterans assistance program was expanded to include benefits and pensions not only for veterans, but also for their widows and dependents.

After the Civil War, many State veterans' homes were established. Since domiciliary care was available at all these homes, incidental medical and hospital treatment was provided for all injuries and diseases, whether or not of service origin. Indigent and disabled veterans of the Civil War, Indian Wars, Spanish-American War, Mexican Border period, and discharged regular members of the Armed Forces were cared for at these homes.

Congress established a new system of veterans benefits when the United States entered World War I in 1917. Included were programs of disability compensation, insurance for servicemen and veterans, and vocational rehabilitation for the disabled. By the 1920s, the various benefits were administered by three different Federal agencies—the Veterans Bureau, the Bureau of Pensions of the Interior Department, and the National Home for Disabled Volunteer Soldiers.

The establishment of the Veterans Administration (VA) came in 1930, when Congress authorized the President to "consolidate and coordinate Government activities af-

fecting war veterans." The three component agencies became bureaus within the VA. Brigadier General Frank T. Hines, who had directed the Veterans Bureau for 7 years, was named as the first Administrator of Veterans Affairs, a job he held until 1945.

The responsibilities and the benefits programs of the VA grew enormously over the next 58 years. World War II resulted not only in a vast increase in the veteran population, but also in a large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the passage of the Homestead Act more than a century ago. In the following three decades, further educational assistance acts were passed for the benefit of veterans of the Korean conflict and the Vietnam era.

In 1973, the VA assumed another major responsibility when the National Cemetery System (except for Arlington National Cemetery) was transferred to the VA from the Department of the Army. The Agency's Department of Memorial Affairs was charged with operating the National Cemetery System, marking graves of all persons in national and State cemeteries (and the graves of veterans in private cemeteries, upon request), and administering the State Cemetery Grants Program.

The Veterans Administration was elevated to Cabinet level on March 15, 1989, and is now the Department of Veterans Affairs. The President appointed Edward J. Derwinski as the first Secretary of Veterans Affairs, the 14th person to head this Agency.

In FY 1988 the VA continued to carry out its mandate, authorized by Congress, to administer the programs and provide the services that are needed by our Nation's veterans and their dependents. Since these functions were transferred to the Department of Veterans Affairs, the Secretary of Veterans Affairs is responsible for reporting on FY 1988 activities of the Veterans Administration; this report therefore references the former organizational titles of the Veterans Administration during FY 1988.

Effective March 15, 1989, the former VA Department of Medicine and Surgery was renamed the Veterans Health Services and Research Administration headed by a

Chief Medical Director; the Department of Veterans Benefits was renamed the Veterans Benefits Administration under a Chief Benefits Director; and the Department of Memorial Affairs was retitled the National Cemetery System with a Director as its principal official.

Administrators of Veterans Affairs

Frank T. Hines (1930–1945)

Omar N. Bradley (1945–1948)

Carl R. Gray (1948–1953)

Harvey V. Higley (1953–1957)

Sumner G. Whittier (1957–1961)

John S. Gleason (1961–1965)

William J. Driver (1965–1969)

Donald E. Johnson (1969–1974)

Richard L. Roudebush (1974–1977)

Max Cleland (1977–1981)

Robert P. Nimmo (1981–1982)

Harry N. Walters (1982–1986)

Thomas K. Turnage (1986–1989)

The VA: An Overview

Organization of the VA

The Administrator of Veterans Affairs directed all VA programs and operations during FY 1988 and was responsible to the President for the administration of veterans' services and benefits and the laws which govern them. The Administrator was assisted by the Deputy Administrator and the Chief of Staff. The Agency was comprised of three major operating departments that provided for the delivery of services and benefits according to their primary functions. Seventeen staff offices provided specific assistance to the Administrator and department heads.

VA Mission and Goals

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to this Nation.

A number of broad goals guide this organization in fulfilling the VA's mission and responsibilities. The VA's departments and staff offices develop objectives and program plans consistent with these goals:

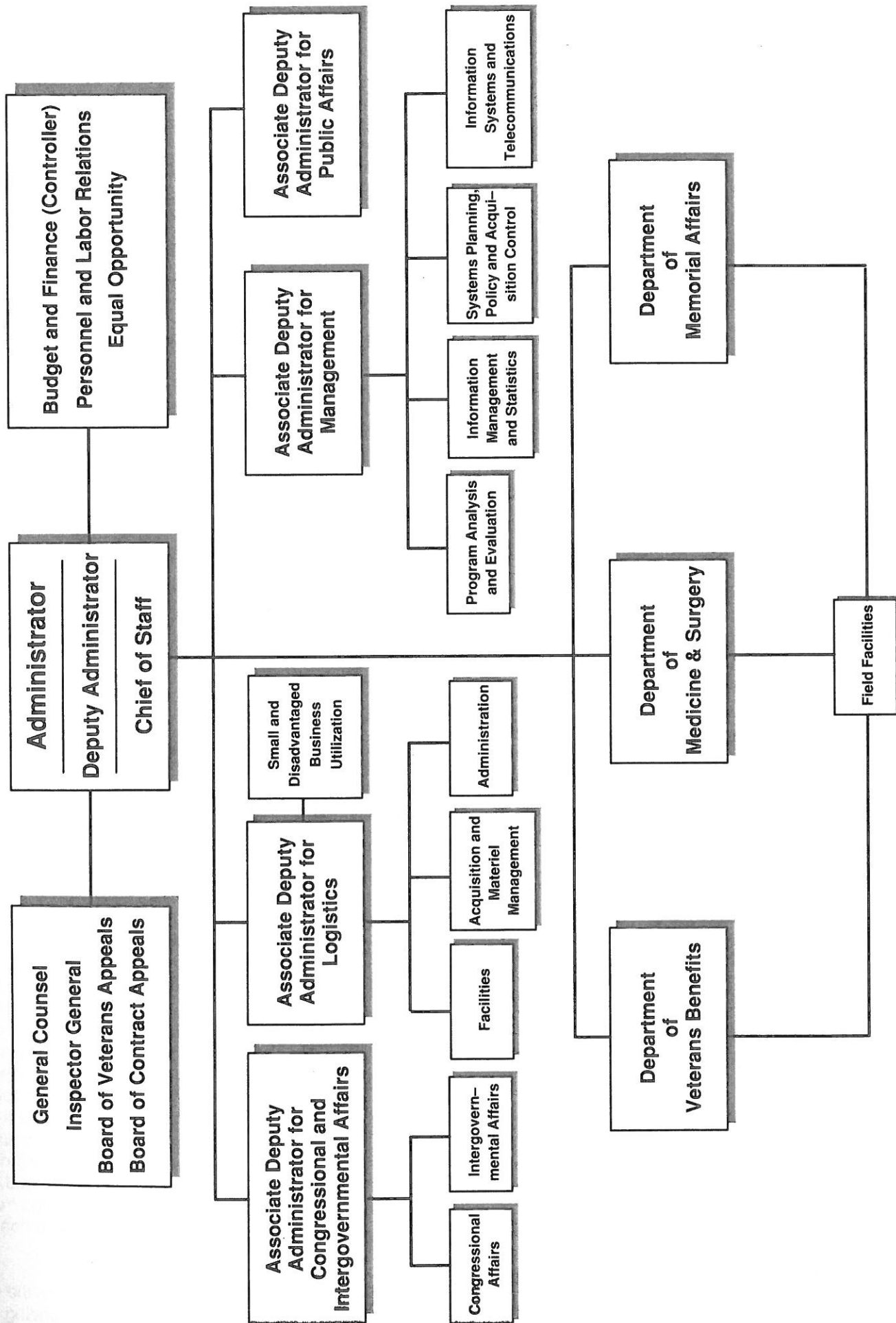
- providing quality medical care on a timely basis to all eligible veterans;
providing an appropriate level of benefits to eligible veterans and beneficiaries;
- ensuring that memorial affairs are handled with honor and dignity;
- exercising leadership within the Federal Government to represent the concerns and needs of veterans and their families;
- ensuring that employees receive quality leadership and are provided an adequate working environment; and
- integrating technology and innovative management techniques to provide quality care and benefits.

Magnitude of the VA Programs

The VA's programs have a tremendous impact on the lives of millions of Americans. Congress appropriated \$28.3 billion in fiscal year (FY) 1988 to ensure that the Agency provided benefits and services to the Nation's nearly 27.3 million veterans, and their dependents. The magnitude of VA programs is evident in the following services rendered by the VA in FY 1988:

- Provided \$15.2 billion in compensation and pension payments to 3.7 million veterans and their survivors; \$881 million for education assistance payments to 414,543 trainees; and \$141.7 million in burial benefits.
- Guaranteed over 234,709 home loans to veterans.
- Operated the fifth largest individual life insurance program in the United States; nearly \$214 billion was administered or supervised to over 7.3 million insureds.
- Operated 112 national cemeteries in 38 States and Puerto Rico. Over 293,000 headstones, markers, and niche markers were ordered for the graves of eligible decedents at a cost of \$21 million. Over 56,000 eligible veterans and their dependents were interred in national cemeteries. In May 1988, a new national cemetery was opened in Florida. In addition, legislation was enacted to transfer the operation of the Arizona State Cemetery to the National Cemetery System.
- Treated over 1.1 million patients in VA facilities and treated an additional 94,092 patients in non-VA facilities. Outpatient medical care was provided, totaling over 23 million visits.
- Provided clinical training to approximately 96,000 students from affiliated schools in all health care disciplines. Nearly 90,000 continuing education episodes were provided to Department of Medicine and Surgery employees.

VETERANS ADMINISTRATION



- Spent \$193 million for medical research, rehabilitation research and development, and other health services research and development. Over 7,400 principal investigators participated in research projects and cooperative studies.

Employment

The Veterans Administration employed over 245,000 full-time, part-time, and intermittent employees during FY 1988 to carry out its mission. The Agency develops and administers progressive personnel policies to ensure that the talents of these employees are used in a productive manner.

Additionally, the Agency ensures that handicapped employees are accommodated, that women and minorities are treated equitably, and that employees who merit special recognition are so rewarded. The VA combines the experience of 58 years of managing the Nation's largest medical system and veterans' benefits system with management training programs which incorporate the latest methods from government, business, and educational institutions. In so doing, the Agency has earned recognition as a leader in Government management innovations.

Budget

<i>Appropriations (millions)</i>	<i>FY 1988</i>	<i>FY 1987</i>	<i>Percent Change</i>
Total	\$28,279	\$26,605	+6.3
Benefit programs	16,549	15,320	+8.0
Medical programs	10,432	10,026	+4.0
Construction programs	523	489	+7.0
General operating expenses and miscellaneous	775	770	+0.6

Congress appropriated \$28.3 billion in FY 1988 to fund benefits and services administered by the VA, an increase of \$1.7 billion above the FY 1987 appropriation. Most of the increase was due to the effects of two dire emergency program supplementals totaling \$1.2 billion for compensation and pension, readjustment benefits, loan guaranty revolving fund, and medical care appropriations.

The FY 1988 appropriation level of \$16.5 billion for benefit programs was approximately \$1.2 billion above the FY 1987 level. This increase was primarily the result of higher appropriations for the loan guaranty revolving fund (a \$816 million increase from the FY 1987 level) and cost-of-living adjustments for compensation and pension recipients (a \$388 million increase from the FY 1987 level). Appropriation needs for readjustment benefits continue to decrease as a result of a continued decline in the number of veterans training under the GI Bill.

This workload decline is the result of veterans either exhausting their education benefits or reaching their delimiting date. In FY 1988, over 273,000 veterans, dependents, and disabled veterans enrolled in the vocational rehabilitation program or trained in programs funded by the readjustment benefits appropriation.

In FY 1988, Public Law 100-323 transferred funds from the general operating expenses appropriation to the readjustment benefits appropriation for State Approving Agencies, which required \$11.5 million in FY 1988.

The loan guaranty revolving fund's FY 1988 program obligations of \$3.6 billion were funded by collections totaling \$2.3 billion, an appropriation of \$916.4 million, a transfer of \$200 million from the Readjustment Benefits account, and an unobligated balance carried into FY 1988. Because of a higher than anticipated unobligated balance ending FY 1988, the loan guaranty fund was able to transfer \$21.7 million to the medical care appropriation as required by the "Dire Emergency Supplemental Appropriations Act of FY 1988." In FY 1988, the VA guaranteed over 234,709 loans valued at \$17.3 billion. Since the inception of the program, the VA has guaranteed over 12.7 million home loans.

Monthly compensation and pension benefits paid to 3.7 million veterans and survivors in FY 1988 totaled \$15.2 billion. Effective December 1, 1987, a cost-of-living adjustment of 4.2 percent was provided to eligible compensation and pension recipients.

Legislation was enacted during FY 1988 granting presumptive service-connection for certain diseases to former POWs and for certain veterans who participated in atomic testing or the occupation of Hiroshima or Nagasaki. In addition, the Department of Defense, under authority conferred by Congress in 1978, granted veteran's status to certain individuals who served in the Merchant Marines during World War II.

Nearly \$10.2 billion was appropriated for medical care and treatment of veterans in FY 1988, an increase of \$423 million over FY 1987, which includes restoration of funding to maintain staffing at the FY 1987 level. Medical and prosthetic research efforts to improve the delivery of health care to veterans and to improve the treatment of the disabilities and diseases most common to veterans were funded by a \$192.9 million appropriation in FY 1988, a decrease of \$19.9 million from FY 1987. The Department of Defense transferred \$20 million to the VA for this appropriation account to fund various research efforts under Public Law 99-661, the National Defense Authorization Act of FY 1987. In FY 1988, VA cared for over 1.2 million inpatients and provided treatment for 23.2 million outpatient visits in VA and non-VA facilities.

During FY 1988, over \$20 million was spent on the modernization of the benefits delivery system. Funding pro-

vided for a nationwide upgrade of office automation and for two initiatives which automate and make efficient specific benefits delivery procedures.

During FY 1988, approximately \$1.6 billion was available for execution of the VA's construction programs. Of this amount, \$522.8 million was appropriated in new budget authority, which included \$3.9 million for the parking garage revolving fund. The highlights of the construction program activity for the year included approved funding for four replacement and modernization projects (two for design and two for construction) and land acquisition for a future medical center at Palm Beach, Florida. Other projects made improvements or modifications in the following categories: electrical, fire and safety, seismic, general and clinical improvements.

Facilities

The Veterans Administration operates 172 medical centers; 233 outpatient clinics; 119 nursing home care units; 28 domiciliaries; 194 Vet Centers; a prosthetic distribution center; 58 regional offices, including 2 insurance centers; 17 VA offices; 112 cemeteries; 3 cemetery area offices; a canteen finance center; 3 data processing centers; a records processing center; a marketing center; and 3 supply depots. These facilities are located in every State, the District of Columbia, Puerto Rico, and the Philippines.

The Veteran

Comparative Highlights

Period of Service	Veteran Population 9/30/87 (000's)	Net Separations from the Armed Forces (000's)	Deaths in Civil Life (000's)	Veteran Population 9/30/88 (000's)	Percent Change in Veteran Population	Female Veterans	
						9/30/88 Number (000's)	Percent of Total Veteran Population (000's)
Total Veterans ¹	27,469	266	456	27,279	-0.7	1,206	4.4
Wartime Veterans ^{1,2}	21,646	40	418	21,268	-1.7	696	3.3
Vietnam era—Total	8,270	40	33	8,277	+0.1	263	3.2
With no Korean conflict service	7,652	40	22	7,669	+0.2	252	3.3
With Korean conflict service	619	*	11	608	-1.8	11	1.8
Korean conflict—Total	5,034	*	75	4,960	-1.5	112	2.3
With no World War II or Vietnam era service	3,747	0	45	3,703	-1.2	87	2.3
With World War II service only	945	0	27	919	-2.8	20	2.2
With Vietnam era service only	342	*	4	339	-0.9	5	1.5
World War II—Total	9,765	0	321	9,444	-3.3	346	3.7
With no Korean conflict service	8,820	0	295	8,525	-3.3	326	3.8
With Korean conflict service	945	0	27	919	-2.8	20	2.2
World War I	140	0	26	114	-18.6	5	4.4
Peacetime—Total	5,823	226	38	6,011	+3.2	510	8.5
Service between Korean conflict and Vietnam era only	2,987	0	19	2,967	-0.7	84	2.8
Post-Vietnam era	2,473	226	4	2,695	+9.0	311	11.5
Other Peacetime ³	363	0	15	348	-4.1	114	32.8

Note: These data represent the number of veterans living in the U.S. and Puerto Rico. Detail may not add to totals due to rounding. Excluded are veterans whose only active-duty military service occurred since September 8, 1980, and who failed to satisfy the minimum service requirement; 487,000 veterans were excluded in the September 30, 1988, totals.

¹ Not included is 1 Spanish-American War veteran and an estimated 60 Mexican Border conflict veterans.

² Comprised of Vietnam era with no Korean conflict service, Korean conflict with no World War II or Vietnam era service, Korean conflict with Vietnam era service only, World War II total, and World War I.

³ Includes veterans who served only between World War I and World War II, and those who served only between World War II and the Korean conflict.

* Less than 500.

Summary

Starting with our Nation's struggle for freedom over two centuries ago, more than 38 million men and women have served their country during wartime periods. Most

(90 percent) served in one or more of the four major conflicts of the 20th century, with World War II veterans alone representing over 40 percent of all American war participants. At the end of FY 1988, there were 27.3 million veterans living in the U.S. and Puerto Rico; 21.3 mil-

lion of these veterans served during at least one wartime period.

Number of Veterans and Periods of Service

The estimate of the veteran population living in the United States and Puerto Rico stands at 27,279,000 as of September 30, 1988. This figure (190,000 below the total at the end of FY 1987) reflects the overall decline in the veteran population as more veterans died during the fiscal year (456,000) than entered the veteran population by separation from the Armed Forces (266,000).

World War II veterans, numbering 9,444,000 at the end of FY 1988, continued to outnumber all other period-of-service categories, representing 35 percent of the total veteran population. During FY 1988, there were an estimated 321,000 deaths among World War II ex-service personnel, representing more than two of every three veteran deaths. The second largest component of the veteran population consisted of veterans who served during the Vietnam era; numbering 8,277,000, they comprised 30 percent of the overall veteran count.

Two other major conflicts contributed to the total count of wartime veterans. Living Korean conflict participants totaled 4,960,000 (18 percent of all veterans) at the end of FY 1988, and World War I veterans numbered 114,000 (less than one-half of one percent). Over 6.0 million veterans (22 percent) served only during peacetime. The majority of these peacetime veterans served only between the Korean conflict and the Vietnam era (3.0 million), or only after May 7, 1975, during the post-Vietnam era (2.7 million).

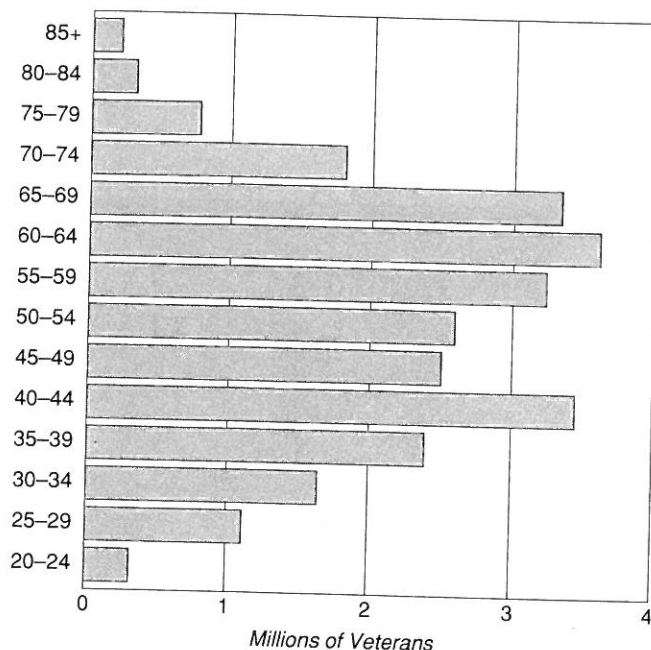
Age of Veterans

As of September 30, 1988, one-half of all living veterans were older than 54.4 years (the median age) and one-half were younger. Veterans under 45 years of age constituted 33 percent of the total, while those aged 45 to 64 represented 44 percent. The oldest group of veterans, those 65 years old and over, accounted for 24 percent of the overall veteran count, amounting to an increase of two percent over the FY 1987 figure, or a 7 percent increase in the total number of veterans in this age category. This growth reflects the steady advancement of World War II veterans into the oldest-age category.

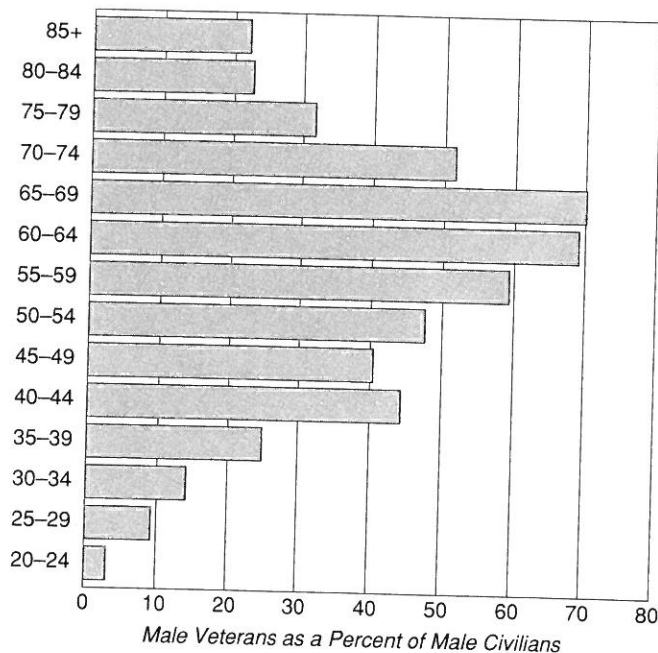
Slightly less than one-third of all civilian males 18 years old and over were veterans on September 30, 1988. This proportion varied by age, reflecting the degree of our Nation's involvement in each of the major armed conflicts of this century. For example, of those civilian males aged 65 to 69 years old, 70 percent were veterans, clear evidence of the extent of our participation in World War II. However, among older civilian males (those aged 85 years of age and over), only 22 percent

were veterans, reflecting America's participation in World War I.

**Estimated Veteran Population by Age
September 30, 1988**



**Male Veterans as a Percent of All Male
Civilians, by Age
September 30, 1988**



Note: Under 20 years of age is less than 0.05 percent

Female Veterans

Female veterans comprised 4.4 percent of the total veterans living in the U.S. and Puerto Rico on September 30, 1988; their estimated strength at this date was 1,206,000. In contrast to the decline in the total vet-

eran population, the number of former military service-women continues to increase, although at a slow pace.

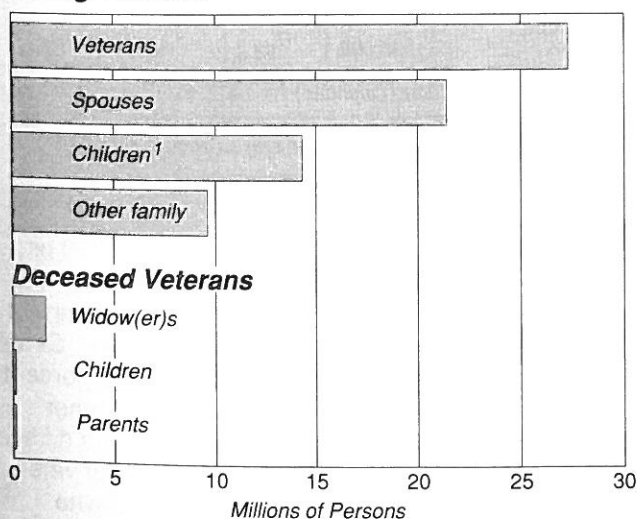
Although the female veteran population exhibited a median age close to that of their male counterparts (50.6 and 54.4, respectively), this similarity masks several important differences. For example, female veterans were more likely to be under age 45 (44 percent), or over age 65 (30 percent), in contrast with male veterans. Further, the distribution of the female veteran population by period of service reflects the growing involvement of women in the military in recent years. Slightly less than 26 percent of all female veterans served only during the peacetime period following the Vietnam era (since May 7, 1975); for males the corresponding figure was just over 9 percent. As a whole, peacetime veterans comprised twice as large a share of female veterans (42 percent) as male ex-service personnel (21 percent).

Veterans and Their Families

Living veterans, while clearly the largest group of persons receiving VA benefits and services, do not account for all those potentially eligible for such benefits. The 27.3 million veterans living on September 30, 1988, had an estimated 21.4 million spouses, 14.3 million dependent children 18 years old or younger, and 9.6 million parents and children over 18 years old who were unable to support themselves. Although only a small portion of these dependents are ever likely to receive benefits directly from the VA, benefits paid to veterans indirectly affect the socioeconomic well-being of a large number of these dependents. In addition to dependents of living veterans, the survivors of deceased veterans numbered 1.7 million at the end of FY 1988. Included in this number were 1.6 million widows and widowers, 118,000 surviving children, and 55,000 dependent parents. The total of all potential beneficiaries is roughly 74.4 million, or nearly one-third of the entire resident population of the United States.

Veterans and Their Families September 30, 1988

Living Veterans



¹ Number of own children 18 years and under

Characteristics of Veterans

Data on various characteristics of veterans and nonveterans are obtained from the Current Population Survey (CPS) through a contract agreement with the Bureau of the Census and with the approval of the Department of Labor, sponsor of the survey. Data from the CPS include educational attainment, income, work experience, and employment status. With the exception of unemployment status, data on veterans are available for males only. CPS estimates of the veteran population may differ somewhat from official VA population estimates, as they are based on a sample survey.

Educational Attainment

Educational attainment is a crucial dimension of the social and economic status of an individual. In 1988, male veterans and male nonveterans had virtually the same overall attainment, with nearly equal median years of school completed (12.7 and 12.8 years, respectively). Examination of the distribution by highest level of education attained of these two groups, however, shows some important differences. Specifically, a higher proportion of nonveterans than veterans reached only the lowest levels of education (some high school or less) and the highest level (college graduate), while a higher proportion of veterans reached the middle levels (high school graduate and some college). This pattern is true of Vietnam era veterans as well as post-Vietnam era veterans compared to their nonveteran age counterparts. Among veterans, Vietnam era veterans had higher educational attainment than post-Vietnam era veterans. For example, only 9 percent of post-Vietnam era veterans completed college compared to 24 percent of Vietnam era veterans. This is due, in part, to the fact that some of the younger, post-Vietnam era veterans are still enrolled in school and have not yet reached their ultimate level of educational attainment.

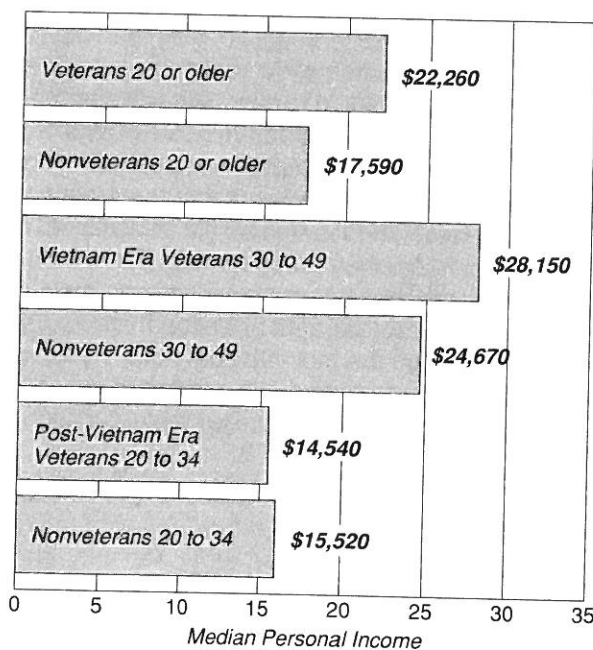
**Percentage Distribution of Selected Groups of Male Veterans and Male Nonveterans
by Educational Attainment, 1988**
Highest Level of Education Attained

	Percent						Number (thousands)	Median Years of School Completed
	No High School	Some High School	High School Graduate	Some College	College Graduate	Total		
Veterans, aged 20 or older	9.0	11.3	40.4	19.0	20.3	100.0	26,211	12.7
Nonveterans, aged 20 or older	12.5	11.7	34.2	18.1	23.5	100.0	54,044	12.8
Vietnam era veterans, aged 30 to 49	1.6	6.1	41.9	26.5	23.9	100.0	6,712	13.0
Nonveterans, aged 30 to 49	7.5	9.8	34.2	17.1	31.4	100.0	24,137	13.0
Post-Vietnam era veterans, aged 20 to 34	0.7	7.7	57.2	25.3	9.1	100.0	2,235	12.7
Nonveterans, aged 20 to 34	4.7	11.2	38.8	23.6	21.7	100.0	26,995	12.9

Source: March 1988 Current Population Survey, U.S. Bureau of the Census.

Personal Income

Median Personal Income of Selected Groups of Male Veterans and Male Nonveterans, 1988



Source: March 1988 Current Population Survey, U.S. Bureau of Census. Income is for calendar year 1987.

Male veterans in general had higher incomes than male nonveterans. The median income for veterans age 20 or older was \$22,260 in calendar year 1987 compared to \$17,590 for nonveterans of that age. Vietnam era veterans had the highest income among the veteran groups shown, \$28,150, which is nearly \$3,500 more than the median income of their nonveteran age counterparts. On the other hand, the youngest veterans (post-Vietnam era) had a median income which was about \$1,000 lower than the median income of their nonveteran counterparts—\$14,540 for post-Vietnam era veterans compared to \$15,520 for nonveterans. The difference may, in part,

reflect advantages young nonveterans might have over veterans in getting an earlier start in the civilian labor force or in getting an education without interruption.

Work Experience

Work Experience of Selected Groups of Male Veterans and Male Nonveterans, 1988

(Numbers in Thousands)

	Worked ¹	Percent of Total Who Worked	Worked Full-Time Full-Year ²	Percent of Workers Full-Time Full-Year
Veterans, 20 or older	19,249	73.4	14,319	74.4
Nonveterans, 20 or older	45,045	83.3	32,295	71.7
Vietnam era veter- ans, 30 to 49	6,386	95.1	5,233	81.9
Nonveterans, 30 to 49	22,636	93.8	18,304	80.9
Post-Vietnam era veterans, 20 to 34	2,102	94.0	1,366	65.0
Nonveterans, 20 to 34	25,092	93.0	16,829	67.1

¹ Worked at any time during calendar year 1987, full-time or part-time.

² A full-time, full-year worker is one who worked primarily 35 hours or more per week for 50 weeks or more during calendar year 1987.

Source: March 1988 Current Population Survey, U.S. Bureau of the Census.

Of the more than 19 million male veterans aged 20 or older, 73 percent worked at some time during calendar year 1987. Of those who worked, nearly three-quarters worked full-time for at least 50 weeks of the year. Of the 45 million nonveteran males age 20 or older, 83 percent worked during the year, 10 percentage points higher than the proportion of veterans who worked. The difference reflects, in part, the older age distribution of veterans. That is, many veterans, particularly those who served in World War II, are now of retirement age. Among nonveteran workers age 20 or older, 72 percent

worked full-time, year-round. Among Vietnam era and post-Vietnam era veterans, about 95 percent worked during the year. But among Vietnam era veterans, 82 percent who worked did so on a full-time, year-round basis in contrast to only 65 percent of post-Vietnam era workers.

Labor Force Status and Unemployment

Of 25.4 million male veterans age 20 or older, 17.8 million, or 70 percent, were in the labor force during FY 1988, in contrast to 82 percent of their 55 million male nonveteran age counterparts¹. The difference reflects the larger proportion of veterans in the retirement years. Among male Vietnam era veterans and male post-Vietnam era veterans, as well as among their nonveteran counterparts, more than 90 percent were in the labor force. Among female veterans and female nonveterans, on the other hand, less than 60 percent were in the labor force (56 and 57 percent, respectively). Although the unemployment rate for all male veterans age 20 or older is nearly one percentage point lower than the rate for their nonveteran counterparts (4.2 percent and 5.1 percent, respectively), the rate for male Vietnam era veterans aged 30 to 49 and male post-Vietnam era veterans aged 20 to 34 was higher than the rate for their respective nonveteran counterparts. Female veterans also experienced a higher rate of unemployment than their nonveteran counterparts.

¹ Fiscal year estimates of the population used here differ from population estimates used in earlier parts of the text.

Labor Force Status and Unemployment of Selected Groups of Veterans and Nonveterans, FY 1988

(Numbers in Thousands)

	Number in Labor Force	Percent in Labor Force	Number Unem- ployed	Unem- ploy- ment Rate
Male veterans, aged 20 or older	17,756	69.8	738	4.2
Male nonveterans, aged 20 or older	44,835	81.7	2,289	5.1
Male Vietnam era veterans, aged 30 to 49	6,694	95.2	288	4.3
Male nonveterans, aged 30 to 49	22,595	94.1	933	4.1
Male post-Vietnam era veterans, aged 20 to 34	1,783	93.5	147	8.2
Male nonveterans, aged 20 to 34	24,832	91.3	1,537	6.2
Female veterans, aged 20 or older	586	55.9	40	6.8
Female nonveterans, aged 20 or older	49,968	56.6	2,491	5.0

(Numbers shown are based on an average of monthly figures for the fiscal year.)

Source: Monthly Current Population Survey, October 1987 through September 1988, U.S. Bureau of the Census.

Health Care

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Facilities at end of year			
Medical centers—hospital care and outpatient care	172	172	N/A
Nursing home care units ¹	119	117	+1.7
Domiciliary care units ¹	27	16	+68.8
Independent or satellite clinics	60	56	+7.1
Independent domiciliary and clinic	1	1	N/A
Employment (full-time equivalent)	202,178	202,651	-0.2
Obligations (millions)	\$10,540	\$9,960	+5.8
Medical care	10,230	9,673	+5.8
Research in health care	215	210	+2.4
Medical administration and miscellaneous operating expenses	47	42	+11.9
Other medical programs	48	35	+37.1
Inpatients treated ²	1,224,375	1,465,703	-16.5
VA facilities ²	1,130,283	1,371,757	-17.6
Hospitals ²	1,086,456	1,332,056	-18.4
Nursing homes	27,220	25,567	+6.5
Domiciliaries	16,607	14,134	+17.5
Other facilities	94,092	93,946	+0.2
Average daily inpatient census	95,673	97,442	-1.8
VA facilities	69,516	71,346	-2.6
Hospitals	52,111	54,564	-4.5
Nursing homes	11,344	10,945	+3.6
Domiciliaries	6,061	5,837	+3.8
Other facilities	26,157	26,096	+0.2
Outpatient medical visits ²	23,232,895	21,634,757	+7.4
VA staff	21,473,403	19,837,424	+8.2
Fee basis	1,759,492	1,797,333	-2.1

¹ Located within VA Medical Centers.

² FY 1987 inpatient figures include 255,094 one-day dialysis treatments. Beginning with FY 1988, this workload is excluded from inpatient data and included in outpatient data.

Department of Medicine and Surgery

Mission

The mission of the Department of Medicine and Surgery is to: develop, maintain, and operate a national health care delivery system for eligible veterans; carry out a program of education and training of health personnel; carry out a program of medical research and development; and furnish health services to members of the Armed Forces during periods of war or national emergency.

Goals

Health Care

To ensure the highest quality of health care for the nation's eligible veterans.

Education

To maintain the quality of health care provided to veterans and the nation as a whole through education and training of medical, dental, and allied health professionals.

Research

To conduct medical research that benefits veteran health care delivery and the quality of life for veterans and others.

Contingency Support

To serve as the primary health care backup for Department of Defense active-duty military forces in the event of war or national emergency.

Special Care Needs

To meet the health care needs of female veterans, aging veterans, homeless veterans, former prisoners of war, Vietnam veterans, and those veterans requiring special treatment and rehabilitation services.

Management

To utilize the latest technological advances and innovative management strategies to provide the highest quality of health care services to veterans.

Summary

The Veterans Administration's Department of Medicine and Surgery (DM&S) is an integrated medical care system committed to providing high-quality care to the Nation's veterans; conducting medical, prosthetics, and health services research to improve health and medical care for veterans and all people; and maintaining a commitment to support the contingent medical care needs of the U.S. armed services in the event of a war or national emergency.

The DM&S network of comprehensive treatment and research facilities represents the spectrum of medical care, from large tertiary, teaching medical centers affiliated with major universities to small primary care and outreach clinics, situated in diverse geographical locations across the United States. In FY 1988, the DM&S network included 172 medical centers, 233 outpatient clinics, 119 nursing home care units, 28 domiciliaries, and 194 Readjustment Counseling Vet Centers.

Hospital Care

Nearly 1.1 million episodes of inpatient treatment were provided in DM&S hospitals, which carried an average daily inpatient census of over 52,000. At the end of FY 1988, DM&S operated slightly less than 74,000 hospital beds. In areas where DM&S facilities were not readily available, health care was provided under DM&S auspices in community-based hospitals and nursing homes.

In FY 1988, DM&S authorized approximately 27,000 patient admissions to other Federal, State, local, and non-public hospitals. The daily census for these non-DM&S hospitalizations averaged 571 for the year. DM&S also authorized over 29,000 admissions to community nursing homes, which carried an average daily census of more than 12,000 veterans.

DM&S domiciliaries cared for an average of about 6,000 patients each day during FY 1988, and operated approximately 7,400 domiciliary beds during the year. VA nursing home care units provided daily care at 119 locations to over 11,300 residents, and operated 12,145 beds. Increased support was also provided to State Veterans Homes in FY 1988, in an effort to meet the needs of a growing population of aging veterans in the broadest possible geographical area.

Ambulatory Care

A wide range of ambulatory care services was provided through DM&S medical center outpatient clinics, free-standing independent and satellite clinics, small community-based clinics, and a wide variety of outreach programs. Over 21 million outpatient visits were made to DM&S facilities, with another 1.8 million to private physicians under DM&S authorization.

Special Initiatives

The Homeless Chronically Mentally Ill Veterans Program, begun in FY 1987, successfully operated 43 programs in 26 States and the District of Columbia during FY 1988. The program, characterized by aggressive community outreach, has become one of the Nation's largest mental health evaluation and treatment programs for homeless people.

In FY 1988, DM&S also took a leadership role in the study and treatment of Acquired Immune Deficiency Syndrome (AIDS). A national AIDS Program Office was set up to plan for and to monitor AIDS activities. Six AIDS research centers have been established to initiate and coordinate AIDS research studies. Presently 36 projects are underway, with others anticipated in the coming year. All medical centers are now prepared to treat AIDS patients. Dedicated AIDS Clinical Units were opened during FY 1988 at the New York, New York; Miami, Florida; and San Francisco and West Los Angeles, California, VA Medical Centers. These clinical units are designed to provide the resources and creative climate necessary to improve the clinical care of AIDS patients while serving as models for other medical centers. The units provide a multidisciplinary team approach with coordination of inpatient care for patients with Human Immunodeficiency Virus (HIV) related diseases.

Other efforts made by practitioners and researchers to ensure high-quality health care during FY 1988 included the development and evaluation of quality assurance indices, and continued emphasis on clinical training, education, and research. Approximately 96,000 students from a variety of health care disciplines received clinical training in DM&S facilities.

A number of special awards were received by DM&S professionals in recognition of excellence in executive leadership, research, and medical practice. Among these awards were the National Medal of Science, presented by President Reagan to Dr. Rosalyn S. Yalow, a VA researcher of international stature; the American Medical Association's Scientific Achievement Award to Dr. Harriet P. Dustan, recognized for her medical research in hypertension; and an American Hospital Association Award presented to Dr. Marie Ashcraft for her contributions as a Federal executive to the mission of the Federal health care system.

1988 Issues in Health Care Management: An Overview

The Department of Medicine and Surgery (DM&S) staff resources were focused on a wide array of activities and issues in FY 1988. One high priority was the Decentralized Hospital Computer Program (DHCP). The DHCP currently provides computer support to 164 sites to assist health care providers, managers, and other personnel in accomplishing the VA's health care mission. The Department is currently installing new equipment—comput-

ers, terminals, printers, and bar code readers—in the 70 largest medical centers. The FY 1988 high-priority computer applications are medical records tracking, dietetics, funds distribution for accounting and procurement, radiology, surgery, nursing, decentralized medical management system, and mental health. Future DHCP development will concentrate on quality assurance, order entry/results reporting, and clinical record software.

Programs for the aging veteran continue to be a planning challenge for the Department. In FY 1988, the total number of veterans was 27.3 million, 24 percent of whom were older than 65. Projections for the next 30 years indicate that the overall veteran population will decrease, but the proportion of older veterans will increase to 37 percent (8.9 million) by the year 2000, reaching 45 percent (7.7 million) by the year 2020.

Dental problems also accompany aging. VA Dentistry has a number of programs focusing on the elderly. These include the entire field of geriatric dentistry and a research agenda on oral health and disease in the elderly.

The VA is committed to providing comprehensive, cost-effective, quality health care services to veterans with Alzheimer's disease and other dementias. The number of veterans with severe dementia will increase from about 200,000 in 1983 to 600,000 in the year 2000.

The development of a full-range of alternative levels of care for chronically ill, frail elderly veterans is recognized as a DM&S strategic planning priority. The VA's outplacement "foster home" program serves a population of approximately 12,000 veterans.

Rehabilitation services are essential for most veterans using VA health care and particularly for the aging veteran. Over 1,400 designated rehabilitation medicine beds served by multidisciplinary teams provided treatment and discharge planning to over 11,000 veterans during FY 1988.

Estimates show that as high as 30 percent of the Nation's homeless persons are veterans. Chronic mental illness is frequently associated with homelessness. Recent legislative authority has enabled the VA to establish a coordinated national network of 43 programs for homeless, chronically mentally ill veterans in 26 States and the District of Columbia. These programs are designed to augment and integrate psychiatric, medical, and community-based residential care for homeless, chronically mentally ill veterans.

Strategic planning is central to providing high-quality care for aging veterans and others. Strategic planning by DM&S is governed by the Medical District Initiated Program Planning (MEDIPP) process. The principal planning products resulting from MEDIPP are the district plans, which are joined together into implementation, strategic, and long-range components which form each

medical region's blueprint for addressing veteran health care needs. The Region Strategic (1990–1994) MEDIPP Plans for the 1988 planning cycle were received for review in VA Central Office from the field in June 1988. Planning proposals in FY 1988 reflected the realities of constrained budgets. Overall, the sizing of the hospital-bed system is projected to decline, while the projected demand for outpatient care continues to grow.

Strategic planning in the Department for information resources management is a special planning effort. The process during 1988 provided input to decision-makers on existing information systems and those currently under development. This process will also develop a strategy for the 1990s when DM&S will start replacing current management information systems. The intent is to identify and capitalize on new technology that can significantly impact the quality and efficiency of health care delivery.

Creative planning for meeting the needs of veteran patients has been a challenge for the VA and veterans service organizations. In response to fluctuations in available funding for beneficiary travel, for example, the VA has welcomed the help of volunteers and veterans service organizations in meeting those needs. In 1986, the Disabled American Veterans (DAV) proposed a plan to assist in the transportation of veterans to and from VA medical facilities. As of November 1988, 152 transportation coordinator positions had been established at VA medical centers and the DAV had donated 44 vans to the medical centers for the transportation of veterans to and from medical care. The Agency has increased its linkages with community resources and has given volunteers opportunities to expand the types of services they provide to veterans in community care facilities and in VA medical centers.

Access to care has also been an issue with spinal cord injured (SCI) veterans. Recognition of this need has led to establishment of an SCI unit network in each spinal cord injury service area. This network consists of a lead SCI center, and, as the need dictates, additional SCI support services in other VA medical centers in the service area.

Another high-priority concern of the VA in FY 1988 was AIDS epidemiology, treatment, research, and education. By the end of FY 1988, a cumulative total of over 5,000 cases of AIDS had been reported by 138 VA medical centers, an increase of approximately 2,200 cases since the end of FY 1987. This number reflects an average of 180 new cases per month during FY 1988.

VA researchers are actively involved in studies aimed at understanding and improving the treatment of Human Immunodeficiency Virus (HIV) infection. In April 1988, the VA established three additional AIDS research centers, bringing the total to six. Each program, when fully operational, will consist of 10 or more individual research projects coordinated by an experienced director. The

center concept will help VA recruit new investigators with the latest scientific knowledge and techniques.

A new statutory requirement in FY 1988 directed that the Administrator establish and carry out a program that provides education, training, and other activities (including continuing education and infection control programs) regarding AIDS and HIV. The statute is aimed at improving the knowledge and safety of all health care personnel involved in the furnishing of AIDS care and treatment.

Research in the VA is a part of the legally-defined mission of the Department of Medicine and Surgery. In the area of schizophrenia, for example, VA plans call for an additional research center for basic and clinical studies of schizophrenia, bringing the total of such centers to three. The opportunity for VA medical centers to compete for research center status was announced in March 1988, and a decision is expected to be made in October 1989. The centers are intended to accelerate multidisciplinary basic research on fundamental problems related to the cause and treatment of schizophrenia, using the most advanced methods and technology of basic neuroscience.

Other programs of emphasis by the VA in FY 1988 were the health care programs for female veterans, preventive health care services for all veterans, and the ongoing sickle cell screening and education programs.

A major preventive health care initiative is smoke-free environments. In December 1988, the Chief Medical Director announced plans to establish a smoke-free environments policy for Department of Medicine and Surgery employees and for patients and visitors at acute-care VA medical facilities.

Environmental issues are increasingly a matter of public concern and attention throughout the world. It is an issue of particular concern to the VA. The Agency must consider the health hazards of certain environmental risks affecting veterans as a consequence of their active military service, and the health hazards, such as asbestos and ethylene oxide, affecting employees in the performance of their duties at VA worksites.

Health care for former prisoners of war (POWs) in FY 1988 continued to be a special VA program. In FY 1988, the Department appointed a coordinator for the former prisoners of war program who serves as a member of the VA Former Prisoners of War Advisory Committee. It also established a physician coordinator, an administrative coordinator, and a social work coordinator at all 172 VA medical centers to handle the former POW examination program.

The sharing of medical and other resources between the VA and community facilities and between the VA and Department of Defense (DOD) facilities remains a key VA program. In September 1988, 136 VA medical cen-

ters shared 1,887 services, including staff, diagnostic and therapeutic facilities, and laundry services. There were also 113 education and training agreements under which military reserve units served under supervision at VA hospitals. The reservists receive training in current techniques; the veteran patients are provided improved services, especially on weekends.

Another innovative sharing program links the VA and DOD in joint construction of medical facilities. This program co-locates VA and DOD hospitals, clinics, personnel, and patients. The VA and the Air Force currently share hospital facilities at Albuquerque, New Mexico, and, in 1989, the Air Force will complete a large ambulatory care clinic there. Other joint ventures are planned or underway in Las Vegas, Nevada; Tucson, Arizona; Anchorage, Alaska; El Paso, Texas; and Lawton, Oklahoma. The sharing of medical services and clinical facilities avoids costly duplication and improves health care delivery.

The Department's civil rights programs and operations have kept pace with the Agency's commitment to maintain positive affirmative action programs for equal opportunity in employment. A streamlined discrimination complaint system was established and a Chief Medical Director's Field Advisory Council Subcommittee was formed to improve representation of minorities, women, and disabled persons in DM&S management positions.

Decentralized Hospital Computer Program (DHCP)

An analysis and re-examination of the Agency's overall ADP plans and programs, initiated in October 1981, resulted in major changes in the philosophy and direction of ADP utilization in DM&S. An Executive order of February 18, 1982, decentralized computer operations to the medical centers in the field and authorized DM&S to determine its own strategies for providing up-to-date computer resources to its field facilities. At that point, DM&S automation consisted of a clinical laboratory system in 9 VA medical centers, a pharmacy system in 10 VA medical centers, an automated hospital information system in 1 VA medical center, and some locally-procured MUMPS (Massachusetts Utility Multi-Programming System) pilot sites.

The first equipment deliveries for DHCP started in 1984. This equipment was for implementation of software to support the critical areas of medical administration, pharmacy, and clinical laboratory, referred to as DHCP Core.

The DHCP provides computer support to 164 sites to assist health care providers, managers, and other personnel in the performance of the health care mission. It creates additional benefits of standard management data for use at each organizational level. A key component of DHCP is the decentralization of ADP functions and re-

sponsibility to the medical center management team, while at the same time obtaining the benefits of nationally-developed software.

The appropriation for new DHCP equipment in FY 1988 was \$45 million. DM&S is currently in the process of installing this new equipment—computers, terminals, printers, and bar code readers—in the 70 largest medical centers. Computers that are being replaced in the large medical centers will be redistributed to smaller medical centers. This equipment will alleviate the current severe shortage of computing capacity and will supply the capacity to run additional clinical and administrative applications.

The challenge for FY 1989 will be to install and successfully operate the new equipment; to start implementing the additional applications; and to provide both technical staff and users with the training needed to obtain maximum benefits from DHCP.

In addition to the Core modules identified at the beginning of DHCP, eight other applications have been given high priority for development. The priority applications, known collectively as Enhanced DHCP, are: (1) Medical Records Tracking; (2) Dietetics; (3) Integrated Funds Distribution Control Point Activity, Accounting and Procurement (IFCAP); (4) Radiology; (5) Surgery; (6) Nursing; (7) Decentralized Medical Management System (DMMS); and (8) Mental Health. Equipment currently being distributed to the medical centers will give sufficient capacity to run all the Core and Enhanced applications.

Core and Enhanced DHCP represent the Department's top priorities, but they do not satisfy all demands for automation of the medical centers. There is significant demand for automation of quality assurance functions, such as software for patient incident reporting, utilization review, and occurrence screening. There is also a strong demand from physicians and other clinicians for automation of the medical record, and a special interest users group has recently been established to design the

organization and content of the automated clinical record.

Dentistry for Elderly Veterans

The concern that the VA has with the aging of the veteran population and its impact on the VA health care system involves dentistry as well as other clinical programs. Despite the significant effect that dental problems have on the health and function of the elderly, too often these needs are overlooked by health care providers in treating other health conditions.

Pain and infection of teeth and oral tissues acutely affect the lives of the elderly. Elderly patients also have an increased incidence of oral cancer and a number of other oral diseases. Many elderly veterans have dental problems, such as missing teeth, which interfere with their ability to maintain a health-sustaining diet; this contributes to a decline in overall health. Moreover, missing or diseased teeth can affect self-image and the ability to communicate. Unfortunately, a patient will often delay treatment until pain is severe or there is danger of losing the tooth.

To address these problems, VA Dentistry has a number of programs focusing on the elderly. The Dentist Geriatric Fellow Program has attracted some extremely capable and talented dentists. Through a proactive effort involving centrally-directed personnel and funding, VA Dentistry has been able to recruit 80 percent of the program graduates for full- or part-time service with the VA. These recruits are contributing to the overall geriatrics effort at their parent facility and, in some instances, at other neighboring medical centers as well.

VA Dentistry has collaborated with the National Institute on Aging and the National Institute of Dental Research in publishing a Research Agenda on Oral Health and Disease in the Elderly, and a Catalog of Resources. As a direct result of that collaboration, an RFA (Request for Application) was issued by the National Institutes of Health for the establishment of Research Centers on Oral Health as joint ventures between academic institutions and affiliated VA Medical Centers.

Changing Demographics in the Veteran Population

Of the nearly 27.3 million living veterans, an estimated 15 million could be categorized as those for whom the VA has a legislated mandatory responsibility to provide health care. The Department's primary mission then is to ensure quality health care for these veterans.

Several sources of data are available or will become available in the next few years describing veteran demographic characteristics. Among these are the Survey of Aging Veterans (55 and over), the 1990 Decennial Census, the Survey of Medical System Users, and the Survey of Veterans (SOV III). The data from the latter survey will be available in FY 1989. These surveys and the results of the Census serve as important sources of data for migration and health care status of both users and non-users of the VA's health care delivery system.

DM&S continues to monitor and collect data on the changing demographics of the veteran population among both users and non-users of VA health care. Information based on these data are provided to planners and policy-makers for analysis and action.

Most recently, Dentistry has completed a carefully planned, research-oriented oral health survey of long-term care patients—an area in which there is a shortage of well-documented data. The data are currently undergoing analysis and preparation for publication.

The Veterans Administration has made great strides in geriatric dentistry in the last several years and is in the forefront of geriatric dental research, education, and clinical care. Since the veteran population is reaching geriatric age levels about a decade earlier than the non-veteran population, this pre-eminence is essential.

Geriatric Research, Education, and Clinical Centers (GRECCs)

The Veterans Administration is providing national and regional resources for advancing the development of geriatric research, education, and clinical care, to improve health care for the aging veteran. A 1980 statute authorized the designation, by the VA Administrator, of up to 15 Geriatric Research, Education, and Clinical Centers (GRECCs) and required "appropriate geographic distribution" of such facilities. Public Law 99-166, enacted in 1985, increased the authorization level to 25 locations.

A Geriatrics and Gerontology Advisory Committee was mandated by law in 1980, with the following responsibilities:

- To advise the Chief Medical Director on matters relating to geriatrics and gerontology;
- To site-visit each newly-established GRECC, within 3 years of activation, to determine the center's ability to meet its mission;
- To assess the Agency's ability to provide high-quality geriatric, extended, and other health care services to older veterans; and
- To assess the current and projected needs of older veterans, and the Agency's ability to meet these needs.

Activities within the GRECC program have increased in recent years. GRECC research funding peaked in FY 1987, totaling nearly \$26 million. It remained at that level in FY 1988 and is expected to stabilize at approximately that amount for the foreseeable future. Of this amount, over 70 percent was provided by non-VA resources. The GRECC concept has been so successful in the VA that the National Institute on Aging may establish similar centers.

Three evaluations of the GRECCs have been conducted since 1981. While each evaluation has strongly endorsed the program and encouraged continued development, each has also highlighted the need for greater commitment to applied clinical and health services research. Future plans for the program call for operational

completion of the two new GRECCs, and establishment of a research program in aging and spinal cord injury. Program development efforts will concentrate on fostering cost-effective models of care for the elderly through the encouragement of clinical and health services research.

Care of Patients with Dementia

The VA is committed to providing health care to veterans with Alzheimer's disease and other dementias. The number of veterans with severe dementia will increase from about 200,000 in 1983 to 600,000 in the year 2000. Presently, veterans with dementia comprise 2-4 percent of the VA inpatient workload. There is a high level of public interest in the VA's activities related to the care of patients with dementia. Congress, the Alzheimer's Disease and Related Disorders Association, veterans and family members of veterans with dementia, research and educational organizations, and other organizations, such as the Department of Health and Human Services and the American Medical Association, have made numerous inquiries regarding the VA's activities, services, and plans in this domain.

Eligible veterans participate in the full range of VA programs including acute, ambulatory, and extended care services. Most VA facilities have specialized dementia treatment programs.

The VA conducts basic biomedical, applied clinical, and health systems research through the Medical Research Service and the GRECCs. Rehabilitation Research and Development Service funds projects concerning new technology and techniques to reduce excess disability.

In FY 1988, the VA provided over \$2.2 million in funding for research projects related to dementia. VA researchers reported another \$2.3 million in funding from non-VA sources. Continuing education for staff is provided through classes sponsored by Regional Medical Education Centers, GRECCs, and Cooperative Health Manpower Education programs. The VA has also developed guidelines for the diagnosis and treatment of dementia and educational booklets for family caregivers.

Alternatives to Inpatient Care

General medical and surgical VA patients were first placed in community "foster homes" in 1902. Veterans residing in these community residential care homes continue to increase as a percentage of the placement population. The program is the VA's oldest and most cost-effective alternative level of care program. The program expanded in 1951 as a placement program for psychiatric patients who no longer required institutional care. It serves a population of approximately 12,000 veterans. The costs of residential care are borne from the veterans' VA pension, Social Security income, or other resources.

The VA Outplacement Study of 1965 identified the need to develop placement resources in the community for the

growing number of patients who no longer required institutional care. Interagency Federal agreements signed in the 1970s promoted improved coordination and resource utilization among those agencies serving similar populations. In the late 1970s, the community services network led to the development of joint initiatives serving veterans and non-veterans. The establishment of a community services coordinator position at all VA medical centers in 1984 and the development of a policy on the coordination of services with State and local programs in 1985 provided impetus for an expanded partnership.

The development of a full-range of alternative levels of care for chronically ill, frail elderly veterans is recognized as a DM&S strategic planning priority. The VA must increase its efforts to promote service integration and resource development with the community health and social services network. Otherwise, the VA's health care mission will be compromised by the demands of a rapidly growing population of chronically ill, frail elderly veterans who do not require acute or institutional care, but who have nowhere else to turn for assistance.

The signing of an interagency agreement in FY 1988 between the VA and ACTION (the national volunteer agency) has improved the delivery of in-house services to older veterans. A national training program, entitled "Alternative Levels of Care: Completing the Health Care Continuum", is underway as a collaborative project to promote continuity of care at all VA medical centers.

Programs for Homeless Veterans

There are widely conflicting estimates of the number of homeless people in the Nation today. The Department of Housing and Urban Development has estimated 200,000 to 300,000 homeless people, while advocates for the homeless estimate the number to be 10 times higher. However, there is general agreement that more than 30 percent of the homeless are veterans.

Providing care for and recognizing the special needs of homeless veterans has long been a concern of the VA. Domiciliary care programs and VA medical center Social Work Services have had a long-standing responsibility to attend to the needs of homeless veterans. Domiciliary care programs provide rehabilitation and long-term health maintenance for veterans. Social Work Service provides discharge planning, placement, and referral services for homeless veterans who use VA health care.

In response to the Nation's growing concern about the plight of homeless veterans, Public Law 100-6 provided the VA \$5 million in funding to establish a program for homeless, chronically mentally ill (HCMI) veterans through September 30, 1988. An additional \$13.2 million was appropriated for the program in FY 1988. Additional authority to appropriate new funds for the HCMI Veterans Program for FY 1989 and FY 1990 was included in

the provisions of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, Public Law 100-628.

Through the authority granted by Public Law 100-6, the VA has been able to establish a coordinated national network of 43 programs in 26 States and the District of Columbia. These programs are designed to augment and integrate psychiatric, medical, and community-based residential care for homeless, chronically mentally ill veterans.

Each program has funds to support two staff members to serve as outreach workers and case managers, and funds to support per diem and other costs associated with the contract care component of the program provided in community-based residential treatment facilities.

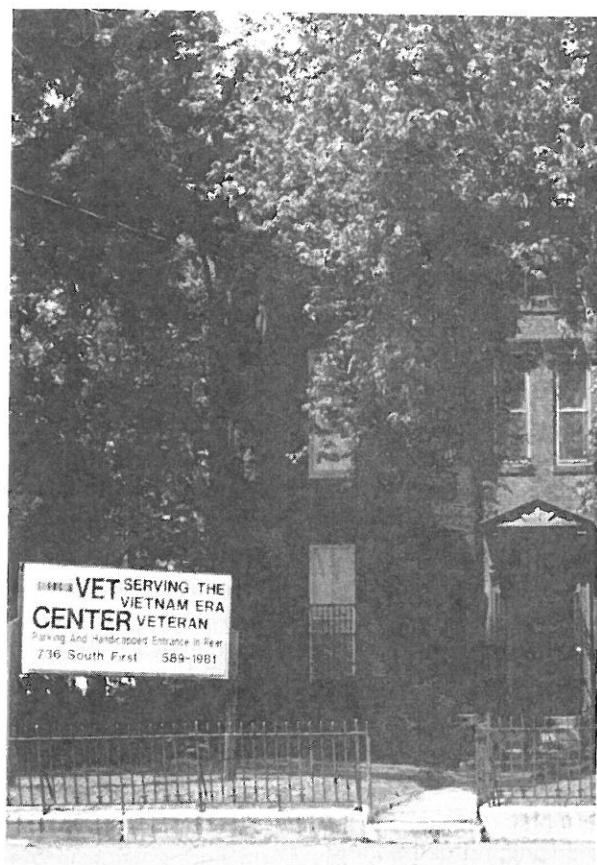
During the first 7 months of the program's operation, outreach staff had made contacts with over 10,000 homeless veterans, and nearly 8,000 received a formal intake assessment. Over 600 of these veterans were placed in residential treatment facilities for continuing care and rehabilitation. Of those assessed, 95 percent presented one or more symptoms of serious mental illness. These veterans are both homeless and profoundly poor. The average monthly income for these veterans is \$207, and 22 percent had been homeless for over 2 years prior to being contacted by the outreach staff. The program is allowing the VA to meet the health care needs of an elusive and vulnerable population of veteran patients. The program also interrupts the chain of events that contribute to chronic homelessness.

The Vet Centers operated by the DM&S Readjustment Counseling Service (RCS) also provide ongoing services to homeless veterans in close collaboration with medical facilities and VA regional offices. The incidence of homeless veterans among Vet Center clients is continuing at significant levels. Vet Center clients who are homeless come for help with a wide range of psychological, social, and economic problems. Some homeless veteran clients come for help with post-traumatic stress disorder deriving from war trauma, but the proportion of homeless veterans with such problems does not seem to be any higher than for Vet Center clients in general.

At each Vet Center, there is a local VA coordinating group on homeless veterans headed by a Team Leader. Homeless veterans are evaluated at the Vet Centers and, in most instances, the veteran is referred to the complex services required for psychiatric, social, and economic problems. Vet Center staff play a very active role in brokering such services for homeless veterans, from both VA and non-VA sources. These services are facilitated by the close networking for referral which RCS staff have maintained.

In addition to medical center and Vet Center activities in this area, Public Law 100-71 provided the VA with \$15 million to be utilized in improving the delivery of domiciliary care services to veterans in urban areas through the

development of 10 new programs containing nearly 500 beds. New programs are planned for development in underutilized space in urban-based VA medical centers.



The VA's Vet Centers provide ongoing services to homeless veterans as well as readjustment counseling to those who served in the Vietnam era.

The purpose of the Domiciliary Care for Homeless Veterans (DCHV) program is to address the unmet clinical needs of eligible veterans while preventing the therapeutically inappropriate use of hospital and nursing home care services. Through the redesignation of existing underutilized space at selected urban-based medical centers, it has been possible to activate additional domiciliary care beds without displacing any current patients or programs. By using a multi-dimensional, individually-tailored treatment approach, the clinical status of the veteran is stabilized while the underlying causes and associated problems of homelessness are addressed. More than 3,000 homeless veterans were admitted to the DCHV program in FY 1988.

AIDS in the VA: Epidemiology, Treatment, Research, and Education

AIDS has been described as the "first major lethal pandemic of the second half of the 20th Century" with over 72,000 cases reported nationwide as of September 30, 1988. During that same period, the VA had treated 5,073 cases.

Acquired Immunodeficiency Syndrome (AIDS) was first recognized in the United States in 1981. The syndrome involves a variety of devastating infections and malignancies which occur as a result of the damage to the immune system caused by a retrovirus known as Human Immunodeficiency Virus (HIV). One of the first cases recognized in New York was treated at the VA Medical Center in Manhattan. AIDS case reporting in the VA began in 1983. By the end of that year, 211 patients with AIDS had been treated in 45 VA medical centers.

Several studies have been done to determine the exact cost of treating AIDS patients because of the complexity and multiplicity of the diseases involved. The first was based on a small sample of VA medical centers treating relatively large numbers of AIDS patients using average per diem costs, length of stays, and readmission rates in 1985. It was estimated that the average cost was \$38,000 per patient per year, with an average life expectancy of 2.5 years. In 1986, another study based on 90 patients discharged from 9 VA medical centers showed that there had been some decrease in costs due to increased use of outpatient services and shortened lengths-of-stay. The estimated average cost was \$24,000 per patient, per year, but the study pre-dated the availability of Azidothymidine (AZT), the only commercially-available drug effective against HIV, which costs \$6,500 per patient per year. In 1987, the AIDS Subcommittee of the Resource Allocation Model (RAM) Task Force began a study published in August 1988, which showed the following median annual costs of care, by category of patient:

AIDS Related Complex (ARC)	\$20,000
AIDS without Pneumocystis Pneumonia	\$26,000
AIDS with Pneumocystis Pneumonia	\$27,000
AIDS in the last year of life	\$34,000

The data bases available to the subcommittee were from the AIDS Reporting System based on the nationwide Centers for Disease Control effort and the VA Patient Treatment File which began coding AIDS and ARC patients in 1988. The subcommittee, however, determined that the existing data bases were not adequate to track all aspects of the HIV epidemic in the VA or to determine real costs.

Forty-seven percent of AIDS patients treated by the VA are homosexual or bisexual and 26 percent are intravenous (IV) drug abusers (7 percent report both risk factors). Four percent report blood transfusions and another 4 percent reported heterosexual contacts. The remainder have unknown or unreported risk factors. Forty-eight percent are white, and 33 percent are black; 12 percent are Hispanic. Over 53 percent of all the patients have been seen in 12 VA medical centers which have each cared for over 100 patients.

Because of the importance of HIV infection among veteran patients, the VA designated AIDS research as a spe-

cial research initiative. Effective April 11, 1988, six AIDS Research Centers were established at Baltimore, Maryland; Durham, North Carolina; Houston, Texas; New York, New York; San Diego, California; and San Francisco, California. Support for AIDS research was first initiated by the VA in FY 1984 with a funding level of \$661,099. For FY 1988, AIDS research was funded at an estimated \$2.9 million.

VA researchers are actively involved in a wide range of studies aimed at understanding and improving the treatment of HIV infection. A clinical trial continues which evaluates the efficacy of zidovudine (azidothymidine or AZT) in veteran patients infected with HIV who have not yet developed the severe immune deficiency of AIDS. This study, from which preliminary results will be reported in 1989, will indicate whether AZT can prevent or slow the progression from AIDS Related Complex (ARC) to AIDS.

The growth in funding for AIDS research indicates the rapid acceleration of VA and non-VA efforts in this area. The total non-VA funding awarded to VA AIDS researchers increased from \$948,746 in FY 1984 to an estimated \$4.5 million in FY 1988. The potential benefits of AIDS research both for diagnosis and treatment and for improved understanding of all viral diseases are enormous.

New statutory requirements direct that the Administrator establish and carry out a program that provides for education, training, and other activities (including continuing education and infection control programs) regarding AIDS and the human immunodeficiency virus. The statute is aimed at improving the effectiveness and safety of all health care personnel and all health care support personnel involved in the furnishing of care under programs administered by the VA.

In January 1988, a systemwide AIDS/HIV Education Plan incorporating national training initiatives for FY 1988 and beyond was announced by the VA. Major components of the plan include a Train-The-Trainer Program for VA employees, a Patient Health Education Program which focuses on HIV prevention/education/counseling, and a program for the Development and Dissemination of HIV Educational Materials.

In FY 1988, approximately 400 individuals participated in the Train-The-Trainer Program to ensure that every VA medical center has individuals who can use educational strategies and resources in AIDS/HIV education activities for all employees. Both print and non-print materials were developed to accompany this training endeavor. Systemwide training in AIDS/HIV is an ongoing effort to ensure that veterans, families, and employees participate in education on how HIV is transmitted and the actions necessary to protect themselves and others.

National Vietnam Veterans Readjustment Study

During FY 1988, the National Vietnam Veterans Readjustment Study (NVVRS), the first nationwide epidemiologic study on Post-Traumatic Stress Disorder (PTSD) and other post-war psychological problems in Vietnam veterans, was completed. Congress enacted a law in 1983 requiring the Agency to carry out the study, and the Agency awarded a contract on the basis of competitive bidding to the Research Triangle Institute, Research Triangle Park, North Carolina. In November 1988, the Institute delivered its final report on the study with results that have major implications for veterans and the VA. The study includes four separate sub-studies:

- A validation pre-test to determine the best methods of diagnosing PTSD in an epidemiologic study;
- A series of interviews with a nationwide sample of 3,032 persons (Vietnam Theater veterans, Vietnam Era veterans, and nonveterans);
- A clinical followup study to confirm the diagnosis of PTSD from the national survey; and
- A followup study consisting of interviews with family members or significant others as a check on the reports from veterans in the national survey. This study focused on those veterans who have PTSD.

The study was carried out under the supervision of a Scientific Advisory Committee, a panel of distinguished scientists and clinicians with expertise in PTSD, psychiatric epidemiology, psychosocial epidemiology, statistics, and sampling.

The study has found a current prevalence rate of 15 percent of diagnosable PTSD in Vietnam theater veterans, which translates to an estimated 470,000 cases, plus a sub-diagnostic or partial PTSD rate of 10 percent, which projects to an estimated 310,000 additional cases. Only 20 percent of the first group have ever utilized VA care, including Vet Centers, for mental health care, and only 10 percent during the past year. The PTSD rates are higher among black and Hispanic veterans than among white veterans.

A Scientific Advisory Committee and the internal VA Central Office Technical Advisory Group on the study have concluded that the methodology of the study was sound and that the resulting data are valid.

Following are some significant conclusions and implications of the NVVRS results:

- The lifetime prevalence rate for diagnosable PTSD is 29 percent, with a current rate of 15 percent. For sub-clinical PTSD, the lifetime rate is 17 percent, with a current rate of 10 percent. Given the number of years which has elapsed since the Vietnam era, these figures suggest that the prevalence of PTSD in the veteran population is declining.

ing at a rather slow rate, and that the case rate will remain at significant levels probably into the next decade.

- The rates of utilization of VA psychological care indicated by the study suggest that many current cases are not receiving needed help.
- Additional data on other mental disorders and various family, educational, employment, and other readjustment areas for the PTSD population indicate fairly high levels of morbidity in the PTSD group.
- Overall, the results of the study document significant levels of PTSD and PTSD-related problems in about one-quarter of all Vietnam veterans.

Medical District Initiated Program Planning (MEDIPP): The DM&S Planning Process

Strategic planning by the Department of Medicine and Surgery is governed by the MEDIPP process. MEDIPP develops goals, directives, and guidelines which the Chief Medical Director issues to all facilities in concert with a number of planning models.

MEDIPP is a district-oriented planning process that is founded on the belief that the medical district, as the basic planning unit, is large enough to contain a comprehensive system of health care programs, and yet small enough to capture the unique geographic and demographic characteristics which are critical for effective planning. The principal planning products resulting from such efforts are the district MEDIPP plans, which are ultimately joined together into implementation, strategic, and long-range components that form each medical region's blueprint for addressing veteran health care needs.

The formation of MEDIPP as a needs-assessment-based process is designed to set forth the direction of the Department along immediate (implementation), five-year (strategic), and Year 2000 (long-range) goals. Quantitative and qualitative applications of information and data provide critical input into operational, budget, and construction activities. Strengthening the linkages between these critical planning processes is a continuing focus.

The Region Strategic (1990-1994) MEDIPP Plans for the 1988 planning cycle were received in VA Central Office for review in June 1988, and have progressed to the point of CMD approval. Decision documents, based on post-CMD review, were prepared and presented to the Administrator in November 1988 and will be acted upon in early FY 1989.

MEDIPP actions are reflective of continuing efforts to derive efficient and cost-effective solutions to the changing veteran health care environment, while at the same

time maintaining a system that will provide high-quality health care. Planning proposals also reflect the realities of constrained budgets and further continue to signal that higher priority needs are addressed by eliminating or consolidating lower priority services. Overall, the sizing of the hospital-bed system is projected to decline, while the projected demand for outpatient care will grow, consonant with the shift away from inpatient care.

Strategic Planning for Information Resources Management (IRM)

In 1987, the Congressional Office of Technology Assessment did a study of VA medical center information systems. The study concluded that the VA should proceed with implementation of the Decentralized Hospital Computer Program (DHCP) Core and Enhanced modules to meet near-term needs for medical center information. The report also recommended that the VA begin to plan for the next generation of medical center automation and to position itself to take advantage of technological and institutional changes in medical practice and information technologies. This recommendation was accepted and subsequently incorporated in the 1988 Appropriations Act, which stated that additional funding, beyond 1988, would be partially contingent upon initiation of suitable strategic planning and evaluation of technological alternatives for the next generation of information systems.

A planning process is now in place to determine how the VA can use information systems to improve health care delivery. The strategic planning process will provide input to decision-makers on existing information systems and those currently under development; it will also develop a strategy for the 1990s, when DM&S will start replacing current systems. The intent is to identify and capitalize on new technology that can significantly impact the quality and efficiency of health care delivery.

A two-tiered approach has been put in place. An Agency-level ADP Advisory Committee will provide the formal structure for obtaining objective technical advice from outside experts. The General Services Administration has granted approval for this committee, consisting of technical specialists with expertise in ADP and telecommunications technologies in a variety of Federal, business, and health care settings. The committee is currently being formed.

The Chief Medical Director has also established a Committee on Strategic Planning for Information Resources Management, consisting of DM&S managers, clinicians, technicians, and subject-matter specialists, to advise on the short- and long-term future of information management in the Department. This committee is developing a protocol for evaluating alternative strategies for the management and application of communication and computer technology.

Voluntary Transportation Network and Use of Volunteers in Community Care

The Veterans Administration, in response to fluctuations in funding available for the transportation of veterans to VA health care facilities for treatment, has historically sought alternative options for such transportation. In 1986, the Disabled American Veterans (DAV) announced a plan to assist in the transportation of veterans to and from VA medical facilities. The DAV proposed staffing and funding at each of the VA medical centers the position of a DAV Hospital Service Coordinator, who would coordinate the transportation network. The VA agreed to the plan and published implementing instructions in February 1987. The program has been highly successful in many areas of the country. As of November 1988, 152 coordinator positions had been established and 44 vans had been donated to VA medical centers.

As experience with the DAV transportation network has shown, volunteer organizations can provide invaluable assistance to veterans who have a need for transportation, but who have financial or other reasons which make procuring transportation difficult. There is also an obvious cost-avoidance for the VA when a voluntary system is in use, because more costly methods of transportation might otherwise be required. As the VA learns of other sources of funding or assistance which will be helpful, that information will be shared with the veterans' service organizations at appropriate forums.

As VA medical care expands into the community and seeks to develop alternatives to institutional care for those who do not or no longer require acute hospital care, volunteers, correspondingly, must extend their activities to include services beyond the confines of the medical center facility. Until the recent past, volunteer efforts were being used in such traditional medical center services as Nursing, Dietetics, Recreation, Chaplain, and Escort. The Agency's increased linkage with community resources, however, has afforded volunteers opportunities to expand the types of services they provide to veterans in community care facilities.

Volunteers are serving in VA-supervised outbased activities. These areas include: Readjustment Counseling Vet Centers, Contract Nursing Homes, Community Service Centers, Residential Care Homes, and Adult Day Health Care Centers. They perform personal services, transportation, and recreation assistance to staff in working with community agencies, and are also involved in socialization programs. In FY 1988, over 6,700 volunteers served nearly 850,000 hours in community services. Volunteers will continue to serve and expand their vital role in enhancing the services of VA staff into the community.

Accessibility to Care: SCI Support Clinics/Units

Spinal Cord Injury (SCI) services provided by trained staff should be reasonably accessible to the majority of SCI patients receiving care at VA medical centers. However, it is unlikely that the number of SCI Centers will significantly increase, since these facilities are expensive to construct and operate and some existing centers are not fully utilized. Therefore, a cost-effective alternative should be developed to ensure that veteran access to high-quality SCI care is substantially improved.

Services provided by the 21 VA SCI Centers include initial rehabilitation (following injury); sustaining care (treatment of associated illness and followup care following initial rehabilitation); and long-term care. Most SCI admissions are for the purpose of receiving care by highly-trained staff and a full complement of ancillary services. Sustaining care, however, is often provided by VA medical centers without recognized SCI services, because the majority of SCI patients do not live within an accessible distance from the 21 SCI centers.

In order to improve access, quality, and continuity of care, a network in each SCI service area is being planned, which will consist of a lead SCI Center, and, as

population needs dictate, designated SCI support services in other VA medical centers in the service area. Training and continuing education needs will be provided by the lead SCI Center.

SCI Standards and Criteria deal with accessibility and SCI Support Clinics/Units. An SCI Support Clinic will be established (where justified by veteran population need) at VA medical centers at least 100 miles from existing SCI services. An SCI Support Clinic would provide a minimum of 20 visits per month. This clinic would be staffed by a physician, nurse, and SCI coordinator who have received a reasonable level of education and/or training in SCI primary care delivery, and would coordinate closely with a lead SCI Center.

In areas where volume is particularly high, as documented through the Department's planning process, the SCI Support Service may include an SCI inpatient service with a minimum of 10-15 beds. This unit would be limited to providing primary SCI sustaining care. Length of stay will be limited to 30 days; a patient with an anticipated length of stay longer than this will normally be transferred to the lead SCI Center, unless an extension is approved by the Chief of the lead SCI center. Initial rehabilitation, complex sustaining care, and long-term care will not be provided at these SCI support services.

Health Care for Women Veterans¹

During FY 1988, the Department of Medicine and Surgery continued to emphasize the goal of providing equitable quality health care for women veterans. All VA medical centers and outpatient clinics have plans for the care of women veterans, with special attention to the provision of adequate gynecological services in accordance with the policy defined in the VA operating manual for clinical affairs. Projects to correct physical limitations in health care facilities which might interfere with equal access to care are in progress. Every medical center and regional office has a Coordinator of Women Veterans who serves as an advocate for them and facilitates their entry into the system.

The VA Preventive Health Care Program implemented in FY 1986 includes osteoporosis counseling specifically targeted at women. In addition to the mammography screening pilot program initiated at the VA Medical Center, Minneapolis, Minnesota, eight more mammography units were funded at VA medical centers across the Nation. They are Allen Park, Michigan; Brockton/West Roxbury, Massachusetts; Buffalo, New York; Bronx, New York; Hines (Chicago), Illinois; Martinez, California; Portland, Oregon; and Miami, Florida.

Programs recognizing the contributions of women veterans and providing staff education on their unique health care needs were held at several VA medical centers in FY 1988.

The VA Advisory Committee on Women Veterans met twice in FY 1988. The Committee consists of 16 women and 2 men and represents veterans from World War II, the Korean conflict, and the Vietnam era, as well as those with service-connected disabilities, and authorities in fields pertinent to women veterans. The Committee continues to provide advice to the Administrator and the Department of Medicine and Surgery on the needs of women veterans.

The Advisory Committee made the following recommendations concerning these areas:

- Outreach: DM&S should continue with aggressive programs to publicize services to women veterans; collect information on State government outreach programs; and include other Departments on distribution lists to receive informational material.
- Health Care: VA should continue to expand mammography services, and determine causes of apparent high cancer rates in women veterans.
- Health Care Professionals: The Agency should fully implement DHCP to give health care professionals more time for direct patient care; explore

the possibility of sharing day care facilities as a recruitment and retention incentive; give priority to findings of the Recruitment and Retention Task Force; encourage Congress to permit dual compensation for re-employed retired shortage category personnel; and recruit shortage-category personnel separating from the military.

- Women Veteran Coordinators: DM&S should continue to encourage regional conferences; plan a 3rd National Conference of Women Veteran Coordinators; and encourage Coordinators to forward to Central Office information on effective outreach programs.
- Women Veteran Vietnam Experience Study: OTA and VA are encouraged to act promptly to advance the study, and propose followup studies for those participating in the initial Experience Study.

Sickle Cell Screening and Education Program in 1988²

There were 40,988 patients identified and screened for hemoglobin disorders and glucose-6-phosphate dehydrogenase (an important enzyme in normal red blood cell metabolism) deficiency in the 37 medical centers participating in the VA Sickle Cell Screening and Education Program. Educational sessions were attended by over 57,000 persons, and nearly 3,000 were individually counseled. Sickle cell counseling staff at each medical center consists of a physician, a counselor, and a technician. The VA film on sickle cell disease, "A Matter of Chance," and mobile exhibits have also been displayed, not only in VA medical centers, but also at meetings of various community organizations.

The Challenge of Environmental Medicine

Environmental issues are increasingly a matter of public concern and attention throughout the world. The environmental issue is one which impacts upon the lives and well-being of all people. It is an issue of particular concern to the VA, which must consider the health hazards of certain environmental risks affecting veterans as a consequence of their active military service, such as Agent Orange, low-level ionizing radiation, and chlordane. It must also consider hazards in the work environment, such as asbestos and ethylene oxide, affecting employees in the performance of their duties at VA work-sites.

Historically, U.S. military organizations have developed and used increasingly complex, sophisticated weaponry and defensive measures, introducing potential health hazards during military service. Examples include the use of intensive non-ionizing radiation in more powerful radar; low-level ionizing radiation from atomic reactors; explosion of nuclear weapons in wartime situations and

¹ This information is provided in compliance with title 38, U.S.C., section 222(d)(3).

² This information is provided in compliance with title 38, U.S.C., section 654.

Smoke-Free Environments

In April 1988, the VA Preventive Medicine Program, established under Public Law 98-160, placed special emphasis on smoking cessation. The goals of this effort were the reduction of tobacco use by patients and employees and the creation of smoke-free environments in VA medical facilities. In addition to permitting smoking only in designated areas, considerable emphasis was placed on aggressive education and smoking cessation programs.

In keeping with this special focus on smoking cessation, in December 1988 the Chief Medical Director announced his intention to establish smoke-free environments in all acute-care VA medical facilities. Prior to this announcement, the Chief Medical Director had extensive discussions with congressional oversight committees' staffs, veterans service organizations, national health organizations, and numerous other governmental and private agencies.

A national-level Smoke-Free Implementation Task Force has been named to develop the policy statement, and the initial procedures, instructions, written guidance, and other materials necessary for the successful accomplishment of the smoke-free goal. The work of the task force is expected to continue into mid-1989. As part of the implementation effort, extensive educational and promotional activities will be initiated. To assist employees and patients in adapting to the environmental change of a smoke-free environment, smoking cessation programs throughout the VA will be expanded. Through this important initiative, the VA will contribute significantly to the health and well-being of its employees and beneficiaries.

during the testing of such devices; contact with asbestos or chemical substances such as defoliants; experimental exposure to pharmacologically active agents; and the employment of chemical agents against unusual diseases.

The Vietnam conflict exposed some service personnel to such substances as defoliants, insecticides, and new preventive or therapeutic agents. There have also been tests with military volunteers over the years to determine the physical and mental changes produced by various drugs and drug-like substances. Some of these materials are known to be toxic, but long-term toxicologic studies to determine the possible chronic or delayed disturbances attributable to them have not been completed.

Several factors have impelled the VA to enter the new area of environmental medicine as it relates to such substances. Among these factors are the increased use of unique and sophisticated methodology; the apparently harmless or undetectable military exposure to new, potentially harmful physical and chemical agents; and the possibility of such adverse effects as cancer and genetic defects appearing after a harm-free interval. Other factors include the growing public awareness of potential environmental hazards; the publicity given such suspected risks by news media and special interest groups; and a general lack of detailed and accurate knowledge about such hazards—a deficit leading to widespread misunderstanding, fear, and suspicion.

The veterans of military service are not the only concern of the VA. There are environmental and occupational medical issues of concern within VA medical center facilities, such as ethylene oxide, asbestos, caustic materials, exposure to anesthetic agents, and Polychlorinated Bi-Phenols. There is growing awareness of the hazards to which patients, visitors, and staff are exposed in clinical situations.

Occupational hazards will increasingly surface and occupy both the attention and resources of the Agency. For VA employees, the focus will shift to one of prevention when possible, and treatment as indicated, where adverse health conditions are associated with exposure to harmful environmental agents. This approach is essential to employee morale and will serve to minimize employee absenteeism and litigation for environmentally-related health problems on-the-job.

Currently, the VA's Designated Agency Safety and Health Officer has assigned responsibility for ensuring that VA medical facilities are healthful workplaces for employees to the VA Office of Occupational Safety and Health. The Office's activities include the identification, evaluation, and control of occupational safety and health hazards.

The Departments of Energy, Defense, Agriculture, Health and Human Services, and related organizations also face environmental health issues. The VA has cooperative relationships established with these agencies to remain abreast of the state of scientific and Government policy in dealing with these issues.

Former Prisoners of War Program¹

In 1981, the Congress passed Public Law 97-37, the "Former Prisoners of War Benefits Act." It established an Advisory Committee on Former Prisoners of War and established nine diagnoses to be considered presumptive for service-connection in the case of former prisoners of war (POW). Those diagnoses were avitaminosis, beriberi (including beriberi heart disease), chronic dysentery, helminthiasis, malnutrition (including optic atrophy associated with malnutrition), pellagra, any other nutritional deficiency, psychosis, or any of the anxiety states.

Other diagnoses were subsequently added by statute to the original list of nine. These are: depression or dys-

¹ This information is included in compliance with title 38, U.S.C., section 221.

thymic disorder, organic residuals of frostbite, post-traumatic osteoarthritis, peripheral neuropathy except where directly related to infectious causes, irritable bowel syndrome, and peptic ulcer disease.

In FY 1988, DM&S appointed a Coordinator for the Former Prisoners of War Program who serves as a member on the VA Former Prisoners of War Advisory Committee. The Department also established a physician coordinator, an administrative coordinator, and a social work coordinator at all 172 VA medical centers to handle the former POW examination program. The Department also established 27 senior medical clinical coordinators, one in each DM&S medical district. A new chapter for the VA *Physician's Guide* was published, entitled "Medical Evaluation for Former Prisoners of War."

Over 78,000 former POWs are living; there are approximately 230 from World War I, 74,000 from World War II, 3,500 from the Korean conflict, and 600 from the Vietnam era. More than 27,000 former POWs have had VA physical examinations and treatment. Field facilities provide educational conferences and VA research projects are continuing.

Of the more than 27,000 former POWs who have been examined with the standard former POW medical exam protocol, 16 percent (over 4,400) were found to be in need of health care. These individuals were receiving no form of health care, but, upon examination, were diagnosed with a condition or disability that required admission to the VA health care system. The program therefore appears to significantly improve the health care of former POWs.

The VA is conducting a study of morbidity in former prisoners of war. The study consists of a medical examination survey of former World War II and Korean conflict prisoners of war compared with a group of comparable non-POW veteran controls. In this study, veterans are invited to be examined at a nearby VA medical center under the standard former POW protocol examination. It is a comprehensive medical and mental health examination which provides detailed information about the veteran's health.

Approximately half of the former POWs in the study have been examined or have agreed to be examined, and an invitation to the non-POW veterans in the study will soon be issued. The medical examination survey results are currently being abstracted, coded, and computerized for analysis. The study is expected to be completed by late calendar year 1990. Educational efforts will continue in the field. The former prisoners of war statistical tracking system will remain in operation.

Advanced Technology Medical Equipment Sharing Program

Early in FY 1986, the Veterans Administration was directed by Congress pursuant to Public Law 99-160 to

establish a 2-year pilot program to acquire up to \$10 million in high technology equipment each year on a 50/50 cost-sharing arrangement with non-Federal Government users. The VA would retain title and control of the equipment and its operation.

In the first year, VA expenditures in this program totaled \$9.2 million, which stimulated non-Federal sources to commit, over and above the required 50 percent of equipment procurement costs, additional support such as site preparation, construction, staffing, and supply costs with an estimated value of approximately \$10 million. The FY 1987 program demonstrated similar benefits. Nine successful projects required a VA investment of nearly \$7 million, and attracted as partners health care institutions which committed resources valued at more than \$20 million.

The Advanced Technology Medical Equipment Sharing Program offers the best opportunities for timely, economical procurement of the latest diagnostic and therapeutic technologies at selected VA medical centers. It provides mechanisms for sharing with a community hospital the costs of the equipment and operation of the clinical facility as well as considerable program and fiscal benefits which accrue to the relationship.

Based on the clear successes of the pilot programs, the Chief Medical Director authorized a third year, FY 1988, to further test and validate the experiential findings gathered during the pilot studies. Although fiscal constraints severely limited the funding base, three VA medical centers and their private-sector community hospital partners crafted innovative proposals which an evaluation panel determined held the highest promise of achieving the objectives of the program. Thus, the FY 1988 phase, at a VA cost of \$3.9 million matched by the sharing partners' contributions of a like amount, enabled the acquisition of highly sophisticated technologies valued well in excess of \$8 million. Additional resources provided by the partner institutions brought the total costs of their contributions to twice that expended by the VA.

Three successive years of experience with all aspects of the program have clearly demonstrated its strong potential for achieving the basic objectives of Congress as expressed in a conference committee report. Essentially, it was designed to enable the timely acquisition of advanced medical technologies for diagnosis and treatment at selected VA medical centers, and to explore opportunities to enhance relationships with community hospitals through joint ventures and operational sharing agreements.

The last 2 years have highlighted the program's value not only as a procedure for optimal effective use of limited funds, but also as a magnet to attract the involvement and participation of non-Federal health care delivery institutions co-located with VA medical center communities.

VA/DOD Health Resources Sharing and Joint Venture Construction Projects

The VA and the DOD operate the largest and second largest Federal Government health care systems, respectively. In FY 1988, these two systems had a combined budget of nearly \$20 billion. The VA and DOD together operate more than 300 hospitals and 600 outpatient clinics in the 50 States. Both systems also pay civilian sources to provide medical care to their respective beneficiaries for combined annual payments in excess of \$2 billion.

Congress enacted the Veterans Administration and Department of Defense Health Resources Sharing and Emergency Operations Act (Public Law 97-174) in 1982. A principal objective of this law was to promote greater sharing between the VA and the DOD to maximize utilization of Federal health care resources.

By enacting Public Law 97-174, Congress recognized that there are opportunities for increased sharing between the VA and DOD which would be beneficial to both agencies and could result in reduced costs to the Government by minimizing duplication and underuse of Federal health care resources.

At the close of FY 1988, 136 VA medical centers had executed some 2,000 separate sharing agreements with 165 military medical treatment facilities. The shared services ranged from hospital laundry services to sophisticated diagnostic and treatment procedures and the services of medical specialty staff. It is estimated that the VA provides (rather than receives) health resources, on a reimbursable basis, to the DOD on a ratio of about 8:1.

In addition to the separate sharing agreements, there are six joint venture hospital construction projects currently in various phases of development. The VA and the Air Force are now co-located in a new medical facility in Albuquerque, New Mexico. Three other joint construction ventures are planned with the Air Force in Las Vegas, Nevada; Tucson, Arizona; and Anchorage, Alaska. Also, joint ventures have been initiated with the Army at El Paso, Texas, and Lawton, Oklahoma.

DM&S Civil Rights Activities

Equal Employment Opportunity (EEO) is a high priority for management in the Department of Medicine and Surgery (DM&S). The Department's civil rights programs and operations have kept pace with the Agency commitment to maintain positive affirmative programs for equal opportunity in employment. A streamlined discrimination complaints system was established for the timely processing of allegations by persons who believe they have been discriminated against on the basis of age, race, color, national origin, mental or physical handicap, or sex. New initiatives to further strengthen the Depart-

ment's program include the formation of a Chief Medical Director's Field Advisory Council Subcommittee to improve the representation of minorities, women, and disabled persons in DM&S management positions.

New instructions from the Equal Employment Opportunity Commission for the development and submission of Agency Affirmative Employment Multi-Year Program Plans and Accomplishment Reports require that VA report EEO activities by Major Operating Component (MOC). In that regard, the DM&S Civil Rights Office implemented a process for reporting its accomplishments on a regional basis. In mid-1988 each Regional Director identified an individual at the regional level to be responsible for implementing the MOC concept and to develop plans and reports incorporating all submissions from their respective medical centers. The designated individuals submitted plans that were both ambitious and comprehensive. It is anticipated that this new approach will enhance the Department's future affirmative employment processes.

The following program initiatives are managed by the Department's Civil Rights Office:

- Equal Opportunity Program for Minorities and Women;
- Federal Equal Opportunity Recruitment Program;
- Disabled Veterans Affirmative Action Program;
- Affirmative Action Program for Hiring, Placement, and Advancement of Handicapped Individuals;
- Affirmative Action Program for the Prevention of Sexual Harassment in the Workplace;
- Development of the Department's Multi-Year Affirmative Employment Plans and Reports of Accomplishment;
- Implementation of Title VI activities (non-discrimination in employment in programs which receive Federal financial assistance);
- Assistance to Historically Black Colleges and Universities; and
- Discrimination Complaints Processing.

The Equal Employment Opportunity Commission is the primary regulatory agency for the enforcement of Equal Employment Opportunity Programs. The newly-revised Commission Directory requires uniform execution and comprehensive management of all affirmative employment processes. The effective implementation of these guidelines will enable the DM&S Civil Rights Office to provide the necessary oversight for the Department.

VA/University Medical School Affiliations

The affiliation of VA medical centers with university schools of medicine, dentistry, and other health professions has been the foundation of a high-quality health care system since 1946. For more than four decades,

VA's Employee Child Care Program

Public Law 100-322 authorizes the VA to establish and administer an employee Child Care Program. Existing VA child care centers are in operation at 15 VA medical centers and 3 regional offices. Site visits and reviews of existing VA child care centers and child care services programs in other Federal agencies were made to define VA policy on child care and to determine the impact of the new statute upon existing child care center operations.

The provision of child care should prove to be an incentive for personnel recruitment and retention. The law requires that the child care services program be at least self-supporting.

these affiliation partnerships have proven highly valuable for the enhancement of the recruitment and retention of highly qualified professionals. The presence of academic activities—teaching and research—attracts the best candidates and creates an atmosphere of inquiry which serves as a constant monitor of quality performance. Medical residents provide quality care 24 hours a day, 7 days a week, under close supervision, primarily in the VA's tertiary hospitals. Indeed, it would probably be impossible to provide tertiary care without them.

Currently, 139 VA medical facilities are affiliated with 103 of the Nation's 126 medical schools. More than 30,000 residents and about 22,000 medical students receive some of their training in the VA every year. These activities directly support the patient care mission of the VA and assist in training health manpower for the Nation.

Most current projections refer to a surplus of some health care providers, such as physicians and dentists. At the same time, however, shortages continue in other health care areas of special interest to VA medical centers: anesthesia, general internal medicine, physical therapy, psychiatry, radiology, and rehabilitation medicine, as well as nursing personnel and radiology technicians. In the next decade, the affiliate partnerships face the major challenge of ensuring an adequate supply of specific health care personnel for the VA system. DM&S plans to continue the aggressive management of VA partnerships with the affiliated medical, dental, and associated health professions schools to ensure that the VA receives the level of support needed to best serve the Nation's veterans.

Role of VA Research

The legally-defined mission of the Department of Medicine and Surgery includes the conduct of medical research. Research is integral to the academic medical model where physicians treat patients, train other physicians, and do research—a model that is critical to the provision of high-quality patient care.

The post-World War II growth of the VA research program paralleled the development of VA affiliations with medical schools. The goal of affiliation was to upgrade the quality of VA patient care by adopting the academic medical care model—patient care provided by physicians who also teach and engage in research. The opportunity for VA physicians to pursue a medical research career

as part of their VA responsibilities and the availability of special research funds to support VA researchers have enabled the Agency to recruit and retain a remarkably talented patient care staff.

By design, the VA's research program is targeted to the support and training of physician investigators. At present, the VA supports about one-third of all physician investigators in the Nation. The VA also has become a major contributor to the training of physician researchers through the VA's Career Development Program.

Therapeutic and Rehabilitation Activities¹

The Department employs a staff of over 4,000 physicians, professional rehabilitation therapists, and allied health technicians to provide a broad spectrum of rehabilitation services to eligible veterans at all VA medical centers and most satellite outpatient clinics. Over 1,400 designated rehabilitation medicine beds served by multidisciplinary teams have provided treatment and outpatient planning to over 11,000 veterans during FY 1988. DM&S continues to emphasize rehabilitation in the ambulatory care mode for treating disabilities of the veteran outpatient population.

National shortages of occupational and physical therapists (OTs and PTs) have triggered various congressionally-mandated and Agency-initiated recruitment and retention efforts. An attrition rate of well over 20 percent per year in both disciplines compounds the difficulty of increasing the numbers of practicing therapists in the VA.

Over \$1 million of health professional scholarship funds is supporting full education costs to 47 PT students for the first time this year. Graduates will be placed in VA medical centers while completing obligated pay-back service time.

Tuition support funds administered by local medical centers have paid for over 1,200 OTs and PTs to attend over 1,000 continuing education and academic courses.

Special salary rates, established at over 100 VA medical centers, are providing more locally competitive salaries in order to increase recruitment and improve retention of these scarce professionals.

¹ This information is provided in compliance with title 38, U.S.C., section 618(c)(3).

VA Preventive Health Care Services¹

The VA Preventive Health Care Program was initiated in FY 1985 and continued in FY 1988. Each VA medical center has a Coordinator of Preventive Health Care. Broad guidelines for these programs were provided by the DM&S Preventive Health Care Task Force established in January 1984. These guidelines were updated with advice from an Ad Hoc Field Advisory Group reflecting field expertise in prevention research and practice.

The program stresses 11 risk factor interventions based on areas of high mortality and morbidity in the VA patient population, existing medical center program capacity, and DM&S goals and objectives. These are: hypertension screening/treatment, alcohol/drug abuse counseling, nutrition and weight control, smoking cessation, physical fitness and exercise, influenza immunization, breast cancer screening, cervical cancer screening, colorectal cancer screening, osteoporosis counseling, and serum cholesterol determination and modification.

Each year special emphasis is placed on one of the identifiable risk factor interventions. In FY 1988, the emphasis was on smoking cessation. Smoking cessation will be emphasized again in FY 1989 because of its multiplier effect on other risk factors. Colorectal screening will also continue to be emphasized.

In FY 1988, the VA provided clinical affiliation training to 23 percent of the Nation's graduating OT students, and 19 percent of all graduating PT students. Additionally, 12 medical centers funded Interdisciplinary Team Training in Geriatrics (ITTG) to occupational therapy students.

Congressionally-mandated conversion of OTs from U.S.C., title 5, personnel hiring authority to U.S.C., title 38, personnel hiring authority will soon provide the structure for medical centers to hire and pay professional OTs and PTs at rates commensurate with those paid by competing employers. It will additionally provide opportunities for advancement not previously available to these professionals.

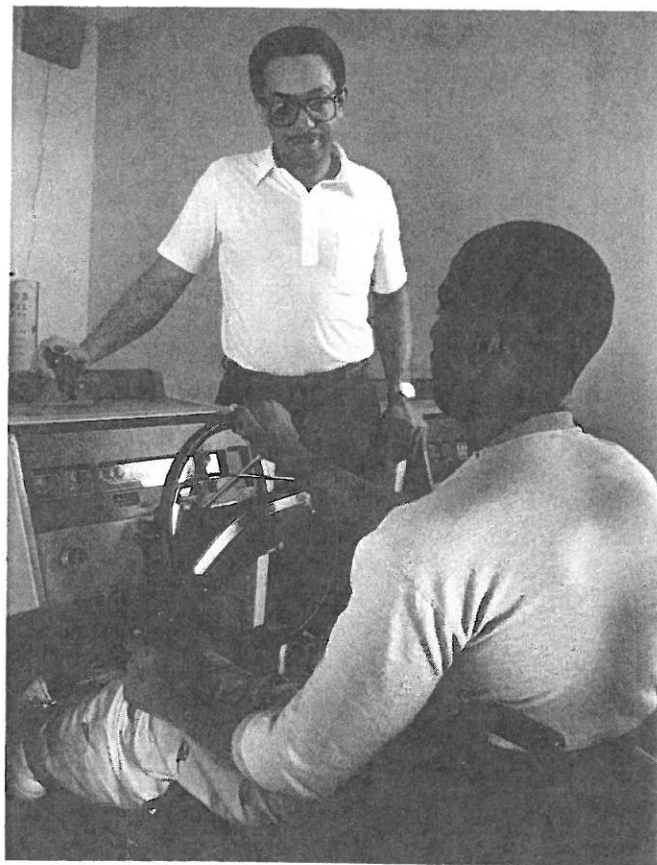
The Department is developing specialized traumatic brain injury programs for an increasing number of veterans and active duty military personnel requiring treatment. Education for professional team members has been initiated. Standards of care for this population are being developed by a multidisciplinary task force.

An assessment instrument, Functional Independent Measurement, is being pilot-tested. The VA's Office of Academic Affairs is directing training efforts, including an interactive multimedia teaching video, to support implementation of the uniform data system for medical rehabilitation throughout the VA medical care system. This instrument was developed in 1983 by the private sector and is endorsed by the Academy of Physical Medicine. Its implementation will provide a standardized, multidisciplinary method of screening appropriateness of admission and also will measure functional performance and improvement of each veteran involved.

In FY 1988, the VA's five Comprehensive Rehabilitation Centers located at the medical centers in Boston, Massachusetts; Northport, New York; Tampa, Florida; Hines (Chicago), Illinois; and Palo Alto, California, continued to

serve as models of rehabilitation excellence for complex-case, multi-disabled veterans. These centers were established in 1980-82.

Specialized driver education programs at 39 VA medical centers during FY 1988 continue to offer assessment and training to a full-range of handicapped veterans. Upgraded driver testing equipment and instructional vehicles were provided to several facilities during the year.



Specialized driver education programs for disabled veterans are offered at 39 VA medical centers.

¹ This information is provided in compliance with title 38, U.S.C., section 664.

Veterans Benefits

Compensation and Pension

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Expenditures (billions) ¹	\$15.3	\$14.4	+6.3
Disability cases	2,804,426	2,843,663	-1.4
Service-connected	2,198,857	2,212,303	-0.6
Nonservice-connected	605,527	631,306	-4.1
Special acts and retired officers	42	54	-22.2
Death cases	920,613	963,886	-4.5
Service-connected	325,246	327,689	-0.7
Nonservice-connected	595,363	636,193	-6.4
Special Acts	4	4	0.0

¹ Includes burial benefits.

Summary

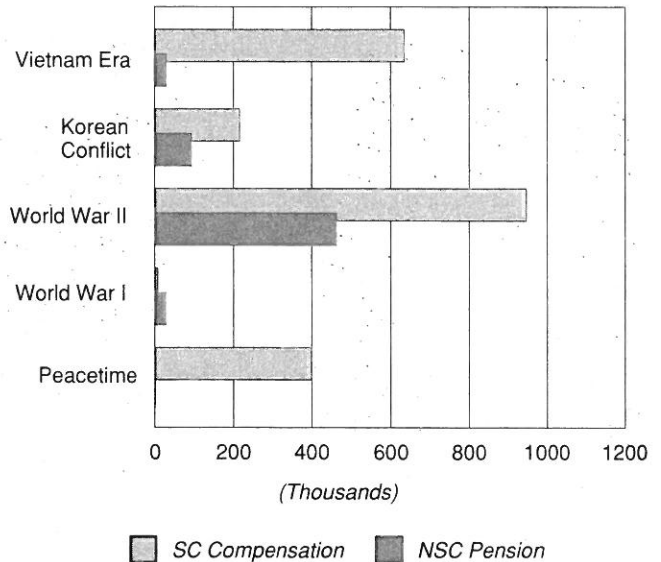
Compensation and pension programs administered by the VA fall into five broad categories.

1. **Disability Compensation**—A veteran is entitled to compensation for disability incurred or aggravated while on active duty. The amount of compensation is based on the degree of disability.
2. **Dependency and Indemnity Compensation (DIC) and Death Compensation**—Dependents of a veteran who died of service-connected causes or while on active duty on or after January 1, 1957, are entitled to DIC. Dependents of veterans who died before that date are entitled to death compensation, or may elect to receive DIC.
3. **Disability Pension**—Veterans who served in time of war may be eligible for pension benefits for nonservice-connected disabilities. A veteran must either be permanently and totally disabled or be age 65 or older, and must meet specific income limitations.
4. **Death Pension**—The surviving spouse and children of a war veteran who died of nonservice-connected causes are eligible for death pension benefits, subject to specific income limitations.
5. **Burial Benefits**—These benefits include a burial allowance, a burial plot allowance, and a flag to drape the casket of a deceased veteran.

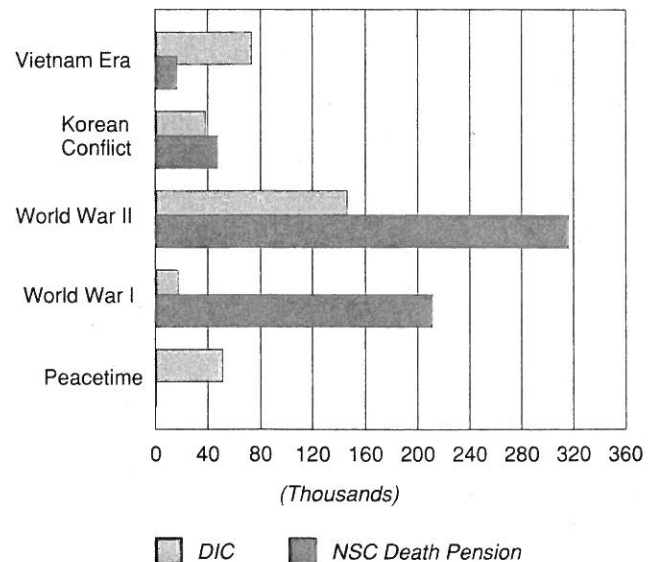
All benefits require separation from the Armed Forces under other than dishonorable conditions. During FY 1988, expenditures for compensation and pension benefits totaled \$15.3 billion, an increase of \$900 million over the previous fiscal year.

Compensation and Pension Cases as of September 1988

Disability



Death



Compensation

As shown in the accompanying table, the number of veterans receiving compensation for service-connected disabilities decreased slightly during FY 1988, because of the decline among World War I, World War II, and Korean conflict cases. There was a net decrease of 13,446 from FY 1987.

Period of Service	Service-Connected Disability Cases				
	FY 1988		FY 1987		Percent Change
	Cases	Percent of Total ¹	Cases	Percent of Total ¹	
World War II	946,767	43.1	981,534	44.4	-3.5
Korean conflict	214,981	9.8	217,743	9.8	-1.3
Vietnam era	633,068	28.8	623,430	28.2	+1.5
Peacetime	397,934	18.1	381,702	17.3	+4.3
World War I	6,106	0.3	7,894	0.4	-22.7
Mexican Border	1	(²)	0	(0.0)	-
Total	2,198,857	100.0	2,212,303	100.0	-0.6

¹ May not add to 100.0 percent due to rounding

² Less than 0.1 percent

For the 17th straight year, there has been a decline in the number of service-connected death cases for which payments are made to dependents of deceased veterans. Vietnam era cases and Korean conflict cases, however, showed increases over FY 1987.

Period of Service	Service-Connected Death Cases				
	FY 1988		FY 1987		Percent Change
	Cases	Percent of Total ¹	Cases	Percent of Total ¹	
World War II	145,588	44.8	147,821	45.1	-1.5
Korean conflict	37,920	11.7	37,814	11.5	+0.3
Vietnam era	73,176	22.5	71,770	21.9	+2.0
Peacetime	51,343	15.8	51,560	15.7	-0.4
World War I	17,162	5.3	18,661	5.7	-8.0
Spanish-American	55	(²)	59	(²)	-6.8
Mexican Border	1	(²)	2	(²)	-50.0
Civil War	1	(²)	2	(²)	-50.0
Total	325,246	100.0	327,689	100.0	-0.7

¹ May not add to 100.0 percent due to rounding

² Less than 0.1 percent

Pension

The improved pension rates were adjusted on December 1, 1987. The maximum annual rates of pension payable are shown in the accompanying table.

Class of Beneficiary	Rate of Pension
Veteran	
Alone	\$6,214
One dependent	8,140
Alone, A&A ¹ allowance	9,940
One dependent, A&A allowance	11,866
Alone, housebound	7,595
One dependent, housebound	9,521
Surviving Spouse	
Alone	\$4,164
One child	5,445
Alone, A&A allowance	6,661
One child, A&A allowance	7,949
Alone, housebound	5,091
One child, housebound	6,379

¹ Aid and attendance

The overall decrease in veterans receiving nonservice-connected disability pension continued during FY 1988. However, two periods of service showed increases during the year—the Korean conflict and the Vietnam era.

Period of Service	Nonservice-Connected Disability Pension Cases				
	FY 1988		FY 1987		Percent Change
	Cases	Percent of Total ¹	Cases	Percent of Total ¹	
World War II	460,449	76.0	481,989	76.3	-4.5
Korean conflict	91,557	15.1	89,870	14.2	+1.9
Vietnam era	27,563	4.6	25,456	4.0	+8.3
World War I	25,899	4.3	33,922	5.4	-23.7
Spanish-American	0	0	2	(²)	-100.0
Mexican Border	59	(²)	67	(²)	-11.9
Total	605,527	100.0	631,306	100.0	-4.1

¹ May not add to 100.0 percent due to rounding

² Less than 0.1 percent

As shown in the table below, the number of nonservice-connected death pension cases decreased in seven of the eight periods of service.

Period of Service	Nonservice-Connected Death Pension Cases				
	FY 1988		FY 1987		Percent Change
	Cases	Percent of Total ¹	Cases	Percent of Total ¹	
World War II	316,433	53.1	331,396	52.1	-4.5
Korean conflict	47,104	7.9	48,056	7.6	-2.0
Vietnam era	15,619	2.6	17,022	2.7	-8.2
World War I	211,379	35.5	234,397	36.8	-9.8
Spanish-American	4,271	0.7	4,831	0.8	-11.6
Mexican Border	491	0.1	414	0.1	+18.6
Civil War	57	(²)	64	(²)	-10.9
Indian Wars	9	(²)	13	(²)	-30.8
Total	595,363	100.0	636,193	100.0	-6.4

¹ May not add to 100.0 percent due to rounding.

² Less than 0.1 percent.

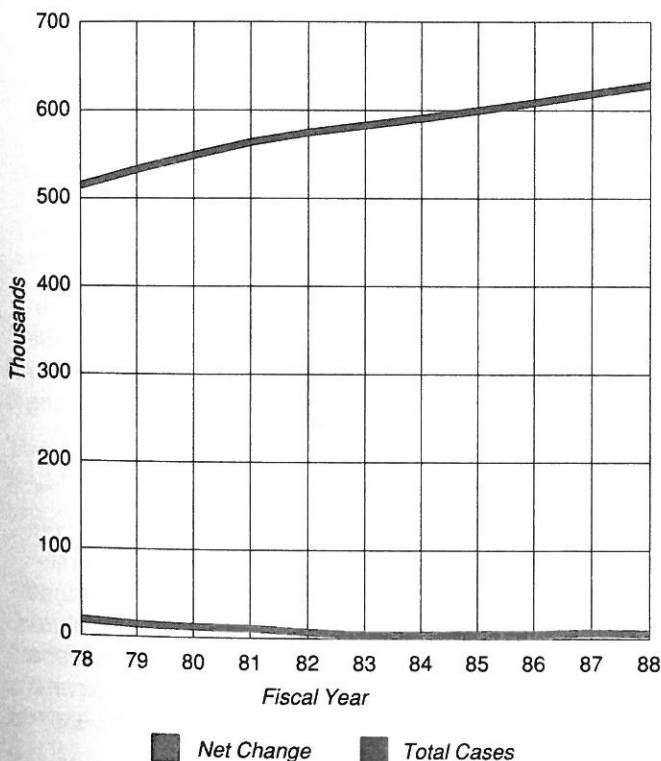
Period of Service

Vietnam Era

There were 9,638 more Vietnam era veterans receiving compensation at the end of FY 1988 than at the end of the previous year. The total number of Vietnam era veterans receiving compensation continues to increase and, with new cases exceeding losses, this trend is expected to continue.

A total of 27,563 Vietnam era veterans were receiving nonservice-connected disability pension at the end of the fiscal year, an increase of 8.3 percent from FY 1987. Since the median age of these veterans was 41 years, a gradual increase in those applying for disability pension is expected. The number of service-connected death cases increased by 2.0 percent to 73,176. The nonservice-connected death pension cases numbered 15,619 at the end of the fiscal year, a decrease of 8.2 percent from last year.

Vietnam Era Veterans Receiving Compensation



Korean Conflict

The number of Korean conflict veterans receiving compensation decreased to 214,981 during FY 1988. The high mark on the rolls (240,756) was reached in June 1973, 18 years after that conflict ended. For comparison, the highest number of World War II veterans receiving compensation was reached in FY 1947, only 2 years after the end of the war.

In contrast to the number receiving compensation, the number of Korean conflict veterans receiving pension continued to rise slowly to 91,557. As this group grows older, the number on the pension rolls can be expected to increase.

The number of service-connected death cases at the end of the fiscal year increased minimally to 37,920. The number of death pension cases decreased 2.0 percent to 47,104.

World War II

Veterans of World War II constitute the largest single group receiving compensation for service-connected disabilities, totaling 946,767, although their numbers continued to decline in FY 1988. Nonservice-connected pension showed a decrease of 4.5 percent to 460,449. Service-connected death cases declined by 2,233, or 1.5 percent, in FY 1988. The nonservice-connected death pension caseload decreased to 316,433, a reduction of 4.5 percent in FY 1988.

World War I

The advanced age of this group of veterans (the median age is over 91 years) and surviving dependents indicates sharp decreases in all categories. Death pension cases, totaling 211,379, represent 35.5 percent of all death pension cases. This is the only category of benefits where this group of veterans and survivors exceeds 10 percent of the total.

Peacetime

Comprised primarily of veterans who served after the Korean conflict and the Vietnam era, peacetime veterans are the third largest group receiving compensation. This was the fastest growing group in FY 1988, gaining over 16,000 compensation beneficiaries.

The number of deceased veterans with survivors receiving benefits remained stable at slightly over 51,000. Survivors of deceased peacetime veterans are not eligible for nonservice-connected pension benefits or death pension.

Other Periods

In addition to the recipients of disability compensation and pension payments from the wars and armed conflicts cited above, as of September 30, 1988, there were 59 veterans of the Mexican Border Service receiving disability pension, and 1 in receipt of compensation. There was 1 service-connected death case, while the death pension cases increased to 491.

The service-connected death and death pension cases of the Spanish-American War were 55 and 4,271, respectively. From the Indian Wars, 9 beneficiaries are receiving death pension benefits, down from 13 in the previous fiscal year. There is 1 helpless child receiving service-connected death benefits with Civil War entitlement and 57 beneficiaries receiving death pension.

Burial Allowance

Statutory burial allowances are designed to assist in providing a respectable burial for certain deceased veterans who were separated from the armed service under other than dishonorable conditions.

Generally, the VA will pay a sum not to exceed \$300 to help cover burial and funeral expenses for a veteran whose death occurs while the veteran is under VA care or entitled to disability compensation or pension. Eligibility may also be established in cases of certain indigent veterans whose remains are unclaimed. Transportation charges are payable when the veteran dies while a patient in a VA medical center. An additional allowance not to exceed \$150 is payable for a burial plot when a veteran is not buried in a national cemetery or a State veterans cemetery. An award of up to \$1,500 in lieu of these basic allowances is authorized for an eligible veteran who dies of a service-connected disability.

In FY 1988, basic burial allowance was paid for 123,579 claims amounting to \$47 million. This was an increase of approximately \$5.2 million from last year. Cemetery plot allowances amounting to nearly \$51.1 million were paid to 334,891 claimants, and service-connected burial benefits amounting to nearly \$9.1 million were paid to 9,017 claimants.

A total of 373,028 burial flags were issued, a decline of approximately 29,000 from FY 1987. The cost of each flag was approximately \$27.95, for a total of \$10.4 million. The Government provided 267,660 headstones or markers for deceased veterans in FY 1988 at a cost of \$19.1 million. Public Law 100-322 authorized payment for graveliners for certain veterans interred in national cemeteries. The cost of graveliners for FY 1988 was \$369,000. Reimbursements in lieu of Government headstones or markers were paid to 57,771 claimants for a total of nearly \$4.3 million, an increase from last year. Burial benefits in fiscal year 1988 totaled \$141.7 million.

Educational Benefits

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Expenditures (millions)	\$881	\$959	-8.1
Post-Korean trainees	202,769	238,798	-15.1
Post-Vietnam trainees	87,486	76,772	+14.0
Sons and daughters	40,871	43,427	-5.9
Spouses	4,972	5,268	-5.6
Montgomery GI Bill-Reservist trainees	72,846	52,459	+38.9
Montgomery GI Bill-Active Duty trainees	5,599	130	(¹)

¹ Due to inception of program in FY 1987, percentage increase would be misleading.

Summary

The Vocational Rehabilitation and Education Service administers a number of basic programs for veterans, servicepersons, and eligible dependents seeking assistance for education or training. These include: (1) the Vietnam era educational assistance program for veterans and service personnel, commonly termed the "GI Bill"; (2) a new educational assistance program for members of the Selected Reserve, termed the Montgomery GI Bill—Selected Reserve; (3) a new educational assistance program for veterans and service personnel, termed the Montgomery GI Bill—Active Duty; (4) dependents' educational assistance for sons, daughters, spouses, and surviving spouses of veterans who died while on active duty, or are permanently and totally disabled or died as the result of a service-connected disability arising out of qualifying service in the Armed Forces, or who are forcibly detained or interned in the line of duty by a foreign power; (5) the post-Vietnam era veterans' educational assistance program (VEAP) for veterans and servicepersons; (6) the Educational Assistance Pilot Program commonly referred to as "Noncontributory VEAP", a modification of VEAP; (7) the Educational Assistance Test Program, a noncontributory program in which an eligible participant, or in some cases his or her dependent(s), may receive an educational assistance and subsistence allowance while training at an accredited institution; and (8) the Veterans' Job Training Act.

Education and Training

Veterans' Educational Assistance (GI Bill)

Nearly 203,000 veterans and active duty personnel received educational benefits in FY 1988 under the post-Korean conflict GI Bill. This figure is down 15.1 percent from FY 1987 and will continue to decline. The ending date for participation in this program is December 31, 1989.

Veterans and service personnel who have neither completed high school nor received an equivalency certificate are considered to be educationally disadvantaged. They may, without charge to their basic entitlement, receive training to overcome their educational handicaps. At the end of September 1988, over 932,000 veterans and servicepersons had participated in these "free entitlement" programs.

Through September 1988, the total number of veterans and servicepersons trained under the current GI Bill exceeded 8.1 million. Approximately 83 percent of these were Vietnam era veterans and servicepersons, and over 75 percent were Vietnam era veterans only. Almost 62 percent have trained at the college level. The remainder pursued vocational and technical training, correspondence training, flight training, cooperative training, and on-the-job training. The participation rate for Vietnam era servicepersons and veterans approaches 66 percent,

well over the 51 percent participation rate for World War II veterans and the 43 percent participation rate for Korean conflict veterans.

At the end of FY 1988, cumulative expenditures for veterans' educational assistance for post-Korean conflict trainees exceeded \$41.2 billion. This compares to expenditures of \$4.5 billion for the Korean conflict program and \$14.5 billion for the World War II program.

Post-Vietnam Era Veterans' Educational Assistance

At the end of FY 1988, there were over 119,000 active participants (in-service contributors) in the post-Vietnam era veterans' educational assistance fund. The number of active participants has declined since the implementation of the New GI Bill in 1985, which closed the program to persons entering active duty after July 1, 1985. Of the nearly 1.2 million persons who have contributed, approximately 722,000 have disenrolled, and more than 412,000 who have remaining eligibility have ceased their contributions. The number of trainees during FY 1988 exceeded 87,000, up 14 percent from last year. There were 43,372 veterans and servicepersons enrolled at the end of the fiscal year.

Item	FY 1988	FY 1987	Percent Change
Accounts established	1,153,621	1,153,582	(¹)
Gross contributions	\$1,492,684,711	\$1,398,865,762	+6.7
Active participants	119,108	210,920	-43.5
Trained during year	87,486	76,772	+14.0
Benefits paid during year	\$210,680,811	\$177,997,275	+18.4

¹ Less than .01 percent.

Noncontributory Educational Assistance Programs

The Department of Defense Authorization Act of 1981 (Public Law 96-342) provided for two educational assistance incentive programs to encourage enlistments and re-enlistments in the Armed Forces.

The Educational Assistance Test Program (section 901) is a noncontributory program in which an eligible participant, or in some cases his or her dependent(s), may receive an educational assistance and subsistence allowance while training at an accredited institution.

The Noncontributory VEAP—Educational Assistance Pilot Program (section 903)—is a modification of VEAP (Post-Vietnam Era Veterans Educational Assistance Program). This program differs from basic VEAP in that the Department of Defense will pay the participant's monthly contribution and certain participants may transfer their entitlement to a spouse or child.

Eligibility in both programs is limited to persons who enlisted or reenlisted in the Army, Navy, Air Force, or Marine Corps after November 30, 1980, and before October 1, 1981.

The first participant was paid benefits in early 1983. During FY 1988, there were 675 persons who trained under section 901, and 803 persons who had trained under section 903.

Dependents' Educational Assistance

This program provides educational assistance for eligible surviving spouses and children of veterans who died in service from service-connected causes or whose service-connected disabilities are rated total and permanent. Spouses and children of service personnel who are listed as prisoners of war, or as missing in action or interned by a foreign government for more than 90 days, are also eligible under the program. Up to 45 months of full-time training are provided in approved courses. Nearly 41,000 children and nearly 5,000 spouses took advantage of the program during FY 1988. Approximately 93 percent used their entitlement to acquire college-level training.

Montgomery GI Bill—Selected Reserve

The Montgomery GI Bill—Selected Reserve provides educational assistance to persons who enlist, reenlist, or extend an enlistment in the Selected Reserve for a period of at least 6 years after June 30, 1985. Officers appointed or serving as reserve officers must agree to serve in the Selected Reserve for at least 6 years after June 30, 1985. The 6-year commitment for enlisted persons and officers is in addition to any other obligated period of service in the Selected Reserve. Participants must have a high school diploma or equivalency certificate and must not have completed a bachelor's degree or equivalent program. Nearly 73,000 reservists received educational assistance in FY 1988. A steady increase in the number of trainees is anticipated in future fiscal years.

Montgomery GI Bill—Active Duty

The Montgomery GI Bill—Active Duty provides assistance to individuals entering military active duty after June 30, 1985. Unless the serviceperson elects not to participate, his or her basic military pay will be reduced by \$100 a month for 12 months, qualifying him or her for full education benefits. About 5,600 persons received educational assistance in FY 1988. The number of persons receiving educational assistance under this program should rise substantially in the future.

Montgomery GI Bill—Active Duty FY 1988 Trainee Data

Service	Trainees	Percentage	Veterans	Servicepersons
Army	5,198	92.8	4,997	201
Navy	153	2.7	115	38
Air Force	161	2.9	66	95
Marines	76	1.4	67	9
Coast Guard	4	0.1	3	1
PHS	7	0.1	6	1
TOTAL	5,599	100.0	5,254	345

Veterans' Job Training Act

The Veterans' Job Training Act is administered by the VA, but the law also assigns responsibility for promoting the development of employment and job training opportunities to the Department of Labor. Both agencies have joint responsibilities for providing public information and for assisting veterans and employers who apply to participate in this program.

The major provision of the law provides payments to employers (\$10,000 maximum) on behalf of certain veterans of the Korean conflict or the Vietnam era who have been unemployed for long periods of time. It is intended to help defray the costs of hiring and training these veterans for stable and permanent positions that involve significant training. The law provides that assistance may be paid to an employer on behalf of a veteran who initially applies for a Certificate of Eligibility by September 30, 1989, and who enters a job training program no later than March 31, 1990.

During FY 1988, over 46,000 applications for Certificates of Eligibility were received from veterans. Nearly 41,000 certificates were issued. More than 7,200 employers applied to participate in the program during the year. By the end of September 1988, over 57,500 job matches had been made since the inception of the program, with approximately \$205 million committed for payments to employers.

State Approving Agencies

State approving agencies (SAAs) were originally created as a vehicle for States to disqualify poor-quality training establishments when abuses of the GI Bill occurred following World War II. Programs of education and training for veterans and other eligible persons must be approved by the SAA in the State where the training facility is located; or, when no SAA has been designated, by the Administrator. A number of States have designated two or more agencies to carry out this function. In FY 1988, the VA negotiated contracts with SAAs at a cost of approximately \$11.5 million. Public Law 100-323, The Veterans' Employment, Training, and Counseling Amendments of 1988, enacted on May 20, 1988, provides a maximum of \$12 million each fiscal year for payments to SAAs. The law added the following oversight provision to title 38, U.S.C., section 1774(a), and title 38, U.S.C., section 1780(a): (1) the VA shall prescribe model qualification and performance standards, developed in conjunction with the SAAs, for use by SAAs in the development and implementation of such standards for SAA employees in carrying out contractual duties; (2) the VA shall conduct, in conjunction with the SAAs, an annual evaluation of each SAA, on the basis of standards developed by the VA and SAAs; (3) the VA shall cooperate with the SAAs in developing and implementing a uniform national curriculum for training SAA employees; and, (4)

the VA shall functionally supervise the provision of course-approval services by the SAAs.

Commission on Veterans' Education Policy

The Commission on Veterans' Education Policy was created by the Veterans' Benefits Improvement and Health Care Authorization Act of 1986 (Public Law 99-576), to report to the VA and to Congress on such issues as the need for distinguishing certificate-granting and degree-granting courses; the measurement of courses for benefit payment purposes; the vocational value of courses offered through home study; and the role of innovative and nontraditional programs of education. During FY 1988, the Commission held four meetings and made field trips to three VA regional offices. The Commission's report to the Administrator and to the Congress was submitted on August 29, 1988.

Vocational Rehabilitation and Counseling

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Counseling services ¹	43,223	42,904	+0.7
Initial evaluations ²	32,637	32,458	+0.6
Veterans receiving chapter 31 training and specialized services	24,692	24,599	+0.4
Employment services for chapter 31 veterans	7,826	7,773	+0.7
Vocational and educational counseling under other chapters ³	5,512	6,677	-17.4

¹ Chapter 31 discrete counseling interventions, including initial evaluation, personal adjustment, vocational counseling, and chapter 15 evaluations.

² Chapters 15 and 31 initial evaluations, including eligibility determinations.

³ Chapters 30, 32, 34, and 35 of title 38, U.S.C.; chapter 106 of title 10, U.S.C.; and Public Law 98-77, as amended.

Summary

The Vocational Rehabilitation and Education (VR&E) Service provides the services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the extent feasible, to become employable and to obtain and maintain suitable employment. Regional office Vocational Rehabilitation and Counseling (VR&C) Division staff identify service-connected disabled veterans who are eligible for these services and encourage these veterans to apply for benefits.

If an applicant is found to need assistance in overcoming an employment handicap based on a service-connected disability, a counseling psychologist evaluates the veteran to establish the services needed by the veteran to achieve independence in the activities of daily living, to

acquire job skills, and to obtain and maintain employment. VR&C staff members assist disabled veterans who do not have appropriate job skills in developing an education and training plan which will provide them an opportunity to acquire needed skills. Disabled veterans who complete programs of education and training, and others who are determined to be ready for a job, receive assistance in finding employment that is compatible with their aptitudes, interests, abilities, and disability limitations.

The following items highlight FY 1988 accomplishments:

- 2,464 service-connected disabled veterans under chapter 31 obtained suitable, stable employment.
- 7,826 service-connected disabled veterans under chapter 31 participated in a rehabilitation plan for employment and placement assistance.
- 2,507 unemployed veterans received job counseling assistance under the Veterans' Job Training Act of 1983 (Public Law 98-77, as amended).
- A comprehensive report was provided to Congress on each of the two temporary programs which were established by Public Law 98-543.
- A pilot program was continued to provide a comprehensive, computer-assisted evaluation of factors related to veterans' vocational potential.
- 30 training programs for VR&C staff members were approved that met the criteria for continuing education and certification maintenance established by the Commission on Rehabilitation Counselor Certification, an increase of 150 percent over the previous fiscal year.

Vocational Rehabilitation

VR&C Divisions conduct an initial evaluation of all veterans requesting vocational rehabilitation services who incurred a compensable service-connected disability on or after September 16, 1940. In the initial evaluation, the counseling psychologist determines whether the veteran is entitled to chapter 31 services, whether employment or training leading to employment is feasible for the veteran, and what kind of specialized assistance the veteran needs. VR&C Divisions completed 29,577 initial evaluations during FY 1988 and provided 24,692 eligible and entitled veterans with one or more specialized services.

A veteran who is entitled to rehabilitation services must follow a formal individualized rehabilitation plan for training and employment assistance. This plan is developed jointly by the veteran and VR&C personnel. In general, these individualized written plans include several intermediate objectives related to the veteran's rehabilitation goals and one or more types of special services which ultimately lead to qualification for and placement in suitable long-term employment.

Throughout a veteran's participation in a program of services, counseling is provided when necessary to help the veteran become employable. This counseling assistance includes, but is not limited to, initial evaluations, personal adjustment counseling, and vocational counseling. During FY 1988, there were 40,163 discrete counseling interventions to assist service-connected disabled veterans. The number of these interventions reflects a slight increase from FY 1987.

Employment Services

During FY 1988, continued emphasis was placed on the importance of employment services and assistance. A total of 7,826 individualized employment assistance plans were jointly developed by disabled veterans and VR&C field staff members. Plans identify the specific services needed by each veteran to assist him or her in obtaining suitable employment. These services may include counseling, medical, social, and other placement and post-placement services. In some cases, seriously disabled veterans were provided specialized assistance to help plan for self-employment. Generally, these plans provided for services and assistance for up to 18 months. A chapter 31 veteran who has obtained suitable employment and has continued working for at least 90 days is considered rehabilitated. In FY 1988, a total of 2,464 veterans obtained such employment.

VR&C field staff members continued the use of special employer incentive provisions to assist hard-to-place veterans, particularly severely disabled veterans, in obtaining employment. The VA may make payments to employers to encourage the hiring of disabled veterans who have completed the chapter 31 vocational rehabilitation program, but who may be difficult to place as a result of their disabilities or lack of work experience. Under a written agreement with the employer, the VA will pay for direct expenses associated with hiring the veteran, provided the costs do not exceed one-half of the wage paid to other employees in comparable jobs. Payments can cover up to 9 months of work experience or on-the-job training and may be made only to private sector employers.

Comprehensive counseling services are provided to veterans under the Veterans' Job Training Act (VJTA). Department of Labor staff members who provide case management services to VJTA participants may request the VR&C staff to furnish personal counseling and other services which may be necessary to enable a veteran to continue in a training program and to obtain and maintain suitable employment. During FY 1988, a total of 2,507 veterans were counseled under the VJTA program.

Resources are shared through the Disabled Veterans Outreach Program, which was initiated in October 1981. A large number of Disabled Veterans Outreach Program staff are stationed at VA regional offices, medical cen-

ters, outpatient clinics, and readjustment counseling center locations.

Computer-Assisted Information System (CAIS)

The CAIS is a PC-based system which provides immediate and up-to-date counseling and rehabilitation information to professional staff and veterans. The CAIS includes the following components: (1) Guidance Information—an automated data base for occupations, educational facilities and programs, physical limitations by occupation, sources of financial aid, and armed services occupational information; (2) Microtest Assessment—a system for onsite administration, scoring, profiling, and interpretation of a wide range of psychological and vocational assessment instruments; and (3) Employer Prospect List—for use in local labor markets to assist in placement of job-ready disabled veterans.

During FY 1988, the CAIS project was expanded to an additional 19 counseling locations, bringing the total number of sites to 61. Strategy for FY 1989 calls for the expansion of the CAIS to the remaining 29 regional office and outbased counseling locations during the first quarter, and completion of the process to evaluate the efficacy of the CAIS begun during FY 1988.

Pilot Programs for Severely Disabled Veterans (Chapter 15)

Public Law 98-543 established two 4-year pilot programs for severely disabled veterans for whom training and employment services are feasible. The vocational training program for certain VA pensioners will determine whether these pension recipients can become gainfully employed if they are provided a full range of assistance and services. For veterans whose pension is terminated due to receipt of income from work or training, eligibility for VA medical benefits will be protected for a 3-year period. This trial program was initiated on February 1, 1985. During the fiscal year, a total of 3,060 evaluations were completed, a decrease from the 3,432 evaluations completed the previous fiscal year. A "Report on the Temporary Program of Vocational Training for Certain New Pension Recipients" was submitted to Congress during this fiscal year.

The second pilot program provides services and assistance to service-disabled veterans who have been awarded total disability ratings by the VA based on individual unemployability (IU). Using this program, the VA will determine if the provision of training and employment services, coupled with the opportunity to have a trial period of employment, will assist veterans with IU ratings to return to the work force. Veterans awarded an IU rating during the pilot program period must participate in a vocational rehabilitation program if it is determined that employment is a feasible goal. Veterans awarded IU ratings prior to February 1, 1985, may request counseling, em-

ployment services, or consideration for training under the VA vocational rehabilitation program. A veteran's IU rating remains protected for up to 12 consecutive months of substantially gainful employment. During FY 1988, 637 evaluations were completed, a substantial increase over the 192 completed the previous fiscal year. A "Report on the Temporary Program for Trial Work Periods and Vocational Rehabilitation for Certain Veterans with Total Disability Ratings" was sent to Congress during this fiscal year.

Program of Independent Living Services

Public Law 99-576 extended the program of independent living services under title 38, U.S.C., section 1520, through FY 1989. This program provides services and assistance to severely disabled veterans for whom the VA determines that the achievement of a vocational goal is not reasonably feasible. During FY 1988, 18 veterans were approved for participation in the program. Services provided to these veterans included transportation, attendant care, training in basic living skills, adaptive equipment, family and peer counseling, housing, and health maintenance.

Educational and Vocational Counseling

Comprehensive counseling and assessment services are provided upon request to veterans, servicepersons, and other eligible persons who plan to use their chapter 30, 32, 34, or 35 benefits under title 38, U.S.C., or educational benefits under chapter 106 of title 10, U.S.C. These services focus on planning for the use of VA benefits for education and vocational training. Services were available at more than 100 locations nationwide, including VA regional offices, outbased locations, and contract guidance centers. Contract guidance centers operate on a fee-basis to supplement VA counseling activities. During FY 1988, a total of 5,512 veterans and other beneficiaries received counseling and evaluation interventions. The decrease in the number of counseling actions from the previous year's 6,677 is consistent with the decreased usage of all chapter 34 benefits and the reduction in the number of requests for counseling under the Survivors' and Dependents' Educational Assistance (chapter 35) program since the lifting of the requirement for mandatory counseling.

Veterans' Advisory Committee on Rehabilitation¹

In October 1980, the Veterans' Advisory Committee on Rehabilitation was established with the enactment of Public Law 96-466, the Veterans' Rehabilitation and Education Amendments of 1980. This committee assesses the rehabilitation needs of veterans, reviews the programs and activities of the Veterans Administration designed to meet these needs, and offers recommendations to the Administrator concerning the administration

¹ This information is included in compliance with title 38, U.S.C., section 1521(c).

of veterans' rehabilitation programs under title 38, U.S.C. The eight members of the committee are members of the general public, representatives of service-disabled persons, and persons distinguished in the fields of rehabilitation medicine, vocational guidance, vocational rehabilitation, or employment and training programs. Many of the members are service-disabled veterans. In addition, five ex-officio members specifically designated by law serve on the committee.

During FY 1988, the committee focused on four specific programs and services in the Veterans Administration. The members continued to monitor the progress of the program evaluation of the vocational rehabilitation program being conducted by the Program Analysis and Evaluation Staff, and the temporary program for VA pension recipients. The committee also reviewed the provision of employment assistance services as presented in the report and recommendations prepared by the Vocational Rehabilitation and Education Service's Employment Services Task Force, and developed specific recommendations for the improvement of those employment services. And, the committee members completed their 2-year study of case management services in the Veterans Administration, and presented their recommendations to the Administrator in "A Report on Case Management in Vocational Rehabilitation Services in the U.S. Veterans Administration."

Housing Assistance

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Number of loans guaranteed			
Home	232,638	474,391	-51.0
Manufactured home	2,071	5,100	-59.4
Average loan amount			
Home	\$74,168	\$73,322 ¹	+1.2
Manufactured home	\$23,207	\$22,850	+1.6
Maximum interest rate ²			
Home	11.0%	10.5%	-
Manufactured home	13.5%	13.0%	-
Minimum interest rate ²			
Home	9.5%	8.5%	-
Manufactured home	12.0%	11.0%	-
GI home loans outstanding ³	4,025,856	4,115,803	-2.2
GI home loans in default ³	139,400	144,912	-3.8
As a percent of loans outstanding	3.46	3.52	-1.7
Substitutions of entitlement	1,798	1,556	+15.6
Properties on hand ³	21,161	22,633	-6.5

¹ Data revised from FY 1987 Annual Report.

² During year.

³ End of year.

Summary

The loan guaranty program provides housing credit assistance whereby mortgage credit needs of veterans and service personnel may be satisfied by private capital on

more liberal terms than is generally available to nonveterans, without the assumption of undue risks by the Federal Government.

Assistance is primarily through substituting the Government's guaranty on loans in lieu of the substantial downpayments, relatively short terms, and other investment safeguards applicable to conventional mortgage transactions.

Loans may be used to purchase a home; to purchase a residential unit in certain condominium projects; to build a home; to repair, alter, or improve a home; to refinance an existing home loan; to improve a home by installing solar heating or other energy conservation measures; to buy a manufactured home, with or without a lot; or to buy a lot for a manufactured home the veteran already owns.

Loans are available to veterans with sufficient qualifying service since September 16, 1940; to unmarried surviving spouses of veterans who died from service-connected causes; to spouses of service personnel officially listed as missing in action, or captured, for more than 90 days; and to service personnel who have served at least 181 days.

The volume of housing loans guaranteed during FY 1988 was roughly one-half that experienced in FY 1987, when interest rates reached their lowest level in 9 years and a record dollar volume of loans was guaranteed. The 474,391 home loans guaranteed in FY 1987 had represented the largest number of loans guaranteed in 30 years; 143,597 of these loans were for the purpose of refinancing at a lower interest rate. In FY 1988, interest rates on VA-guaranteed home loans averaged just over 10 percent, about 1 percent higher than the average in FY 1987.

Over 236,000 veterans were assisted in home ownership during FY 1988. A total of 39,797 guaranteed home loans were for refinancing purposes, accounting for 17 percent of the total activity. Of these refinancing loans, 24,504 were for the purpose of reducing monthly mortgage payments by refinancing loans at a lower rate. The VA guaranteed 234,709 loans in the amount of \$17.3 billion; made 388 grants for specially adapted housing totaling \$12.6 million; and approved 1,798 substitutions of entitlement.

GI Home Loans

During FY 1988, 232,638 home loans were guaranteed. In addition to loans for the purchase of the traditional single-family home, this total includes refinancing loans, condominium loans, and alteration and repair loans.

Over 78 percent of the veterans purchasing a home with a guaranteed primary loan were able to obtain no-down-payment loans. Loans to finance the purchase of previously occupied housing accounted for 75 percent of the primary home loans guaranteed during the fiscal year. These loans averaged \$71,221 and financed homes with

an average purchase price of \$72,723. On newly constructed homes, the average loan was \$84,029, and the average purchase price was \$87,006. The average loan amount on refinancing loans was \$73,125.

Of the total home loans guaranteed during FY 1988, approximately 42 percent went to Vietnam era veterans; 25 percent to post-Vietnam era veterans; 20 percent to servicepersons; 7 percent to post-Korean conflict veterans; 3 percent to World War II veterans; 2.5 percent to Korean conflict veterans; and 0.2 percent to post-World War II peacetime veterans. Unmarried surviving spouses accounted for 0.3 percent of the total. Nineteen loans were guaranteed for spouses of servicepersons classified as prisoners of war or missing in action. Fourteen percent of the total home loans guaranteed went to veterans whose entitlement had been previously restored to purchase another residence.

Between June 22, 1944, and September 30, 1988, veterans have obtained over 12.7 million home loans, totaling \$316 billion, under the GI home loan program.

Foreclosures¹

During FY 1988, 79 percent of the home loan foreclosures were against the original veteran-borrower experiencing the following major problems: extensive obligations (47 percent); curtailment of income (31 percent); illness (10 percent); and marital difficulties (8 percent). The remaining 4 percent involved other reasons such as difficulties in selling after a distant job transfer, borrower's death, or a general dissatisfaction with the property.

The reasons for foreclosure on the remaining 21 percent (when a transferee rather than the original veteran-borrower owned the property) were essentially the same, as follows: extensive obligations (50 percent); curtailment of income (34 percent); illness (7.5 percent); and marital difficulties (5 percent). The other reasons mentioned in the previous paragraph amounted to 3.5 percent.

Manufactured Home Loans²

Since the inception of the manufactured home loan program in February 1971, the VA has guaranteed 111,143 manufactured home loans, thereby assisting lenders in providing \$2 billion in loans to veterans who probably would have been unable to afford a home in the conventional market.

During FY 1988, 2,071 manufactured home loans amounting to \$48 million were guaranteed. Of these loans, 25 percent were made by non-supervised lenders that were approved for automatic processing as provided by the Veterans Housing Act of 1974.

¹ This information is included in compliance with title 38, U.S.C., section 1833(c)(2).

² This information is included in compliance with title 38, U.S.C., section 1812(l).

Of the loans guaranteed during the fiscal year, 1,810 were for the purchase of new manufactured homes while 261 were for used units. Loans for the purchase of single-wide manufactured homes accounted for 70 percent of the FY 1988 total. The average loan amount for single-wides was \$20,632, while for double-wides it was \$29,290.

Manufactured Housing Plant Inspections

In October 1981, the Department of Housing and Urban Development (HUD) advised the VA that it could provide the inspections and inspection reports related to monitoring of the fabrication process for manufactured homes. Consequently, the VA discontinued its formal program of manufactured home plant inspections and elected to accept the results of the HUD inspections, which involve all manufactured home factories, i.e., those producing products which are sold to veterans and nonveterans.

The reports on the activities of any particular manufacturing plant are available to the VA Loan Guaranty Service from either HUD or the National Conference of States on Building Codes and Standards (NCSBCS).

HUD continues to be involved in efforts to improve quality control in the manufacturing process. HUD now has a contract with the National Association of Homebuilders' National Research Center for the testing and collection of data on manufactured home systems and components. NCSBCS continues to make unannounced monitoring visits to manufacturing plants, and has increased the number of followup audits of in-plant inspection agencies. In addition, HUD is conducting a manufactured home installation study involving homes in 15 States.

In its enforcement activities, HUD continues to seek civil penalties against manufactured home dealers who have not met the HUD requirement to post a health notice on each unit regarding urea-formaldehyde emissions. Several cash settlements have been reached with those dealers. Cash settlements have also been obtained as a result of civil actions against several design approval and in-plant inspection agencies.

A toll-free telephone number for reporting consumer complaints remains available to manufactured home buyers in certain states. HUD continues to track the processing of consumer complaints by computer.

Complaints from veterans, which are discussed in greater detail in the section entitled "Compliance with Warranty," did not warrant inspections of manufacturing facilities by the VA in addition to the HUD inspection program and followup procedures.

Manufactured Home Onsite Inspections

During FY 1988, VA randomly selected for inspection 242 manufactured homes secured by GI loans. Each

inspection covered the home and its site. Results of these inspections are:

- The average size of the manufactured home units was 1,113 square feet.
- 69.8 percent of the manufactured homes had skirting, and 93.8 percent had tiedowns installed.
- 68.6 percent of the homes were connected to community or public water facilities, and 31.4 percent had private systems.
- 51.2 percent disposed of their sewage through public or community disposal systems, and 48.8 percent were connected to private systems.
- 76 percent of the units were located in manufactured home parks, and 24 percent occupied individual sites.
- 96.3 percent of the manufactured homes have remained at their original locations, as specified in the loan applications.
- 20.7 percent of the manufactured home sites were rated as excellent, 74.8 percent were rated as satisfactory, and 4.5 percent were rated as poor.

Compliance With Warranty

Every new manufactured home financed by a GI loan must have a written warranty from the manufacturer to the purchaser, which includes a specific statement that the manufactured home meets the standards prescribed by the VA.

During FY 1988, VA field stations reported 19 complaints from veterans expressing dissatisfaction in some manner with their manufactured home unit. Of these complaints, 16 were considered justified and 3 were determined to be unjustified. All justified complaints were under warranty, with 3 (19 percent) attributed to both warranty and faulty setup. By the end of the fiscal year, 12 (75 percent) of the justified complaints had been resolved.

The nature of the complaints covered under warranty varied from minor defects to severely defective items to be repaired. A total of 13 (81 percent) justified complaints were reported because of flawed construction of the unit; complaints received on both the construction and furnishings of the manufactured home accounted for 2 (13 percent) of the complaints; and 1 complaint (6 percent) expressed dissatisfaction with only the furniture and appliances in the manufactured home.

VA field stations continue to act promptly in determining the validity of the complaints, which are widely distributed among manufacturers and models, with no single manufacturer accounting for a significant percentage of the total complaints.

Defaults

When the VA manufactured home loan program was established, it was anticipated that the incidence of defaults and claims would be greater than that experienced for loans on conventional homes. During FY 1988, claims paid, as a percent of the number of outstanding manufactured home loans, was 6.0 percent, as compared to 1.2 percent for conventional homes.

During FY 1988, 84 percent of the GI manufactured home loan defaults were against the original veteran-borrower experiencing the following problems: extensive obligations (61 percent); curtailment of income (26 percent); marital difficulties (5 percent); and military transfer—unable to sell (4 percent). The remaining 4 percent involved other reasons such as illness, borrower's death, dissatisfaction with the property or a distant job transfer (excluding military).

The reasons for default on the remaining 16 percent (when a transferee rather than the original veteran-borrower owned the property) were essentially the same, as follows: extensive obligations (60 percent); curtailment of income (29 percent); marital difficulties (5 percent); and military transfer—unable to sell (2 percent). The other reasons mentioned in the previous paragraph amount to the same 4 percent.

Direct Loans

Congress authorized the direct loan program via Public Law 81-475, enacted April 20, 1950, as a supplement to the guaranteed loan program in rural areas where private financing was not generally available. A review of the program in 1980 revealed that private sector funding was generally available in all areas of the Nation. The review resulted in a suspension of the program by congressional action during FY 1981, with the exception of loans to severely disabled veterans for specially adapted housing. During FY 1988, only one direct loan was made for \$33,000.

Funding Operations

For the fifth time since the inception of the Loan Guaranty Revolving Fund, appropriations were necessary to meet program expenditures. The continued depressed level of economic activity in the energy and agriculture sectors of the economy helped to bring about a high level of home loan foreclosures, not only for the VA home loans program but for conventional home loans as well. Many home borrowers became unemployed for long periods of time and were unable to meet their home loan obligations. In these cases, VA had to pay a claim under the VA guaranty contract. To meet these claims, a total of \$916.4 million was appropriated to the fund.

During FY 1988, VA collected \$220 million in principal and interest payments with the interest portion amounting to \$128 million. Loan sales from VA's own portfolio of loans netted \$685.9 million.

Specially Adapted Housing Assistance

The lack of mobility and the psychological problems associated with severe disabilities often impose tremendous obstacles. The simplest tasks become difficult, and some procedures, such as acquiring a suitable home, are almost impossible without assistance. Frequently, VA representatives escort or take the veteran's place during contacts with builders, lenders, and architects.

Severely disabled veterans declared eligible for grants for specially adapted housing have distinctive housing needs, such as wide doorways to accommodate wheelchairs, ramps instead of steps, oversized and specially equipped bathrooms, etc. VA extends whatever help is required, as determined on an individual basis. Assuring that structural requirements are met is only one aspect of the specially adapted housing program.

During FY 1988, 341 severely disabled veterans, some wheelchair-confined, received grants totaling \$12 million to buy, build, or modify homes specially adapted for their use.

Public Law 96-385, The Veterans' Disability Compensation and Housing Benefits Amendments of 1980, effective October 1, 1980, authorized a new category of specially adapted housing grants. Under this amendment, a disabled veteran who is either blind in both eyes or who has lost, or lost the use of, both hands, qualifies for a benefit of up to \$6,500 to make minor adaptations to his or her house. During FY 1988, there were 47 grants of this type, totaling \$270,900.

Fair Housing Program

A key aspect of VA's fair housing program is the statistical monitoring of minority participation in the VA-guaranteed home loan program. This monitoring includes both quantitative and qualitative analysis.

Minority veterans, who comprise 12.3 percent of the veteran population (based on 1980 Census data), continued their strong participation as they obtained 17.6 percent of VA guaranteed loans closed during FY 1988. Of the total loans, black veterans obtained 11.4 percent; Hispanic veterans 3.4 percent; Asian/Pacific Islander veterans 1.8

percent; and American Indian/Alaskan Native veterans 1 percent.

Veteran homebuyers continued their strong reliance on spouses' income in order to qualify for home loans. Fifty-one percent of VA guaranteed loans closed in FY 1988 were approved using the supplemental income of the spouse. Spouses' income was especially important for minority buyers; 61 percent of the Asian/Pacific Islanders, 58 percent of the American Indian/Alaskan Natives, 56 percent of the blacks, and 54 percent of the Hispanics who obtained VA guaranteed home loans relied upon help from spouses' income.

The no-downpayment provision was particularly beneficial to minority home buyers using VA guaranteed loan financing. VA guaranteed primary home loans covering the full purchase price of the home were obtained by 83 percent of the minority and 78 percent of non-minority veterans in FY 1988.

VA's fair housing program includes an ongoing effort to increase minority business participation in work related to the loan guaranty program. This includes assigning appraisers and compliance inspectors, and engaging the services of repair contractors, management brokers, and sales brokers. During FY 1988, these minority businesses received \$23.1 million, or 12.7 percent, of all commissions and fees paid and assignments made by the VA. The dollar breakdown was as follows: \$7.6 million to minority repair and maintenance contractors; \$6.8 million to minority fee appraisers and compliance inspectors; \$4.5 million to minority management brokers; and \$4.2 million to minority sales brokers.

Another important aspect of VA's fair housing program is its home counseling service. The VA conducts this home counseling service in 23 cities to provide prospective home-buying veterans advice and assistance in practical aspects of home-buying and homeownership. Minority veterans comprised 6,965 (52.5 percent) of the 13,267 veterans counseled in FY 1988, reflecting the thrust of the program toward aiding minority veterans. Since the inception of the program in 1973, over 93,000 minority veterans and 168,000 veterans overall have been assisted by this home counseling service.

Life Insurance

Comparative Highlights

Program	Fiscal Year		Percent Change
	FY 1988 (thousands)	FY 1987 (thousands)	
USGLI			
Policies	48	53	-9.4
Amount	\$177,731	\$199,070	-10.7
Death Benefits	\$18,184	\$20,188	-9.9
NSLI ¹			
Policies	2,824	2,913 ²	-3.1
Amount	\$21,316,923	\$21,646,722 ²	-1.5
Death Benefits	\$486,111	\$457,865 ²	+6.2
VSLI ¹			
Policies	327	341	-4.1
Amount	\$2,988,817	\$3,074,607	-2.8
Death Benefits	\$24,862	\$24,694	+0.7
SDVI			
Policies	176	180	-2.2
Amount	\$1,598,926	\$1,632,381	-2.0
Death Benefits	\$22,515	\$21,130	+6.6
VRI ¹			
Policies	127	130	-2.3
Amount	\$868,985	\$891,593	-2.5
Death Benefits	\$21,228	\$19,248	+10.3
VMLI			
Policies	5	6	-16.7
Amount	\$185,466	\$182,735	+1.5
Death Benefits	\$5,106	\$5,386	-5.2
SGLI			
Policies	3,509	3,514	-0.1
Amount	\$174,537,115	\$175,027,350	-0.3
Death Benefits	\$186,829	\$184,044	+1.5
VGLI			
Policies	282	251	+12.4
Amount	\$12,066,785	\$9,973,510	+21.0
Death Benefits	\$32,160	\$25,018	+28.5

¹ Includes paid-up additional insurance purchased by dividends.

² Data revised from FY 1987 Annual Report.

Summary

Life insurance protection for the Nation's service person-

nel and veterans is provided under six separate programs administered by the VA and two programs supervised by the VA.

The first five programs shown in the table are administered by the VA and provide for a maximum coverage amount of \$10,000. Administration of the sixth program, the Veterans Mortgage Life Insurance (VMLI) program, was taken over by the VA on September 1, 1988. The VMLI program provides up to \$40,000 in mortgage protection life insurance coverage. The latter two programs, the Servicemen's Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) programs, are supervised by the VA and administered by the Prudential Insurance Company of America, Newark, New Jersey, under contract with the VA. Both the SGLI and VGLI programs provide up to \$50,000 in coverage.

At the end of FY 1988, these eight programs provided coverage of nearly \$214 billion to over 7.3 million insureds.

Program	Abbreviated Reference	Policy Prefix Letter	Program Beginning	Ending Date of New Issues
U.S. Government Life Insurance	USGLI	K	01/01/19	04/24/51
National Service Life Insurance	NSLI	V H	10/08/40 08/01/46	04/24/51 12/31/49
Veterans Special Life Insurance	VSLI	RS W	04/25/51	12/31/56
Service-Disabled Veterans Insurance	SDVI	RH	04/25/51	Open
Veterans Reopened Insurance	VRI	J, JR JS	05/01/65	05/02/66
Veterans Mortgage Life Insurance	VMLI	-	08/11/71	Open
Servicemen's Group Life Insurance	SGLI	-	09/29/65	Open
Veterans Group Life Insurance	VGLI	-	08/01/74	Open

Toll-Free Phone Service Established

The Insurance Service has implemented nationwide toll-free telephone service for Government life insurance policyholders and their beneficiaries. Insureds and beneficiaries alike will now be able to access information concerning their accounts simply by dialing 1-800-422-8079. This service can also be used to initiate certain types of actions such as changes of address or policy conversions. Service was inaugurated in the Philadelphia Insurance Center on April 11, 1988. Toll-free service is expected to transform the present "mail order" character of the insurance operation by replacing approximately 75 percent of the over 700,000 written inquiries received annually in the Insurance Center with telephone inquiries. During the first 6 months of operation, over 216,000 calls were answered.

Government Administered Programs

United States Government Life Insurance (USGLI)

USGLI is the oldest Government-administered insurance program still active, established in 1919 as an outgrowth of the War Risk Term Insurance program begun during World War I.

War Risk Term Insurance was the Government's first attempt to offer life insurance to servicemen, and it proved to be surprisingly successful. USGLI was established, in part, to provide a means of converting from the War Risk program, which was not intended to be a long-range insurance program. At the end of FY 1988, 47,671 USGLI policies remained in force. The program is self-supporting except for administrative expenses and the rare claims that are traceable to the extra hazards of military service, which are paid by the Government. There has been a steady decline in the number of policyholders, and this decline will continue to accelerate, as the average age of these insureds is now nearly 79 years.

Effective January 1, 1983, premium payments were no longer required on USGLI policies since the VA's Actuarial Staff determined that the USGLI fund reserves were adequate to meet all future liabilities of the program.

The 1988 dividend for USGLI policies averaged \$255 per insured.

National Service Life Insurance (NSLI)

NSLI was established October 8, 1940, to serve the insurance needs of World War II service personnel. At its height, this program insured more than 22 million individuals. By the end of FY 1988, 2.8 million policies remained in force with a face value of \$21.3 billion. The program is self-supporting except for administrative expenses and claims traceable to the extra hazards of military service, which are paid by the Government. Dividend payments from the surplus earnings of the trust fund averaged nearly \$325 per insured in 1988, compared to \$306 in 1987.

Approximately 26 percent of NSLI policies are term plans. Generally, term policies renew every 5 years at the current attained age, causing premiums to increase with each renewal. Previously, as policyholders grew older, the premiums could become prohibitive, causing many to drop their insurance coverage entirely or reduce the face amount of their policies. Effective September 1, 1984, however, a regulation that capped NSLI term premiums at the age 70 rate, which is \$6.18 per month per \$1,000 of insurance coverage, was approved. Insureds whose term policies renew at an insurance age of 70 or older will never have to pay a higher premium. Also, those veterans whose term policies had already renewed

after age 70 had their premiums rolled back to the age 70 rate.

Since the inception of the term-capping program, over 83,400 term policies have been capped at the age 70 rate. Of the policies affected thus far, premium rates were actually rolled back on over 50,000 of them. Approximately 183,000 policies will be eligible for term capping within the next 5 years.

NSLI policyholders may use dividends to buy more insurance as paid-up additions to their policies; this allows them to have more than \$10,000 of Government life insurance in force. These paid-up additions have cash and loan values and earn dividends. Effective January 1, 1987, the face value of existing NSLI paid-up additions coverage and the value of paid-up additions coverage to be purchased with future dividends was increased by approximately 15 percent. A total of 669,830 policies have paid-up additions with a face value of \$3.74 billion. This represents an increase of 9.8 percent over the 1987 face amount.

Holders of permanent plans in this program, as well as in the other VA-administered programs, may borrow up to 94 percent of the cash value of their policies. NSLI loans applied for or exchanged on or after November 2, 1987, carry a variable interest rate that is tied to the June interest rate for U.S. Treasury securities, "10 year constant maturities." Movement of the indicator to a level higher or lower than the existing interest rate triggers an adjustment in the interest rate. Any adjustments in the interest rate are to be effective each October 1. The initial rate was set at 8 percent per annum. Based on the performance of the economic indicator for June 1988, the 8 percent rate will remain in effect at least through September 30, 1989.

Veterans Special Life Insurance (VSLI)

VSLI was first made available to veterans separated from service on or after April 25, 1951. Application had to be made within 120 days of separation. VSLI was a means of providing post-service Government life insurance for Korean conflict veterans. There was no premium-paying insurance during service at this time, although the Government did provide insurance protection with a \$10,000 Servicemen's Indemnity. Policies in the VSLI program were issued through December 31, 1956. During the period that VSLI was available, about 800,000 policies were issued; 326,992 remained in force on September 30, 1988, with a face value of \$3.0 billion.

Initially, only renewable but non-convertible term insurance was available. Effective January 1, 1959, legislation modified the program to permit exchange to either a permanent plan or to a lower cost term policy which was nonrenewable after age 50, but which could later be converted to a permanent plan of insurance.

Dividends were not paid on policies in this program until after the passage of Public Law 93-289 on May 24,

1974. The average 1988 dividend payment was \$268 per insured compared to \$234 in 1987.

A total of 81,353 policies have paid-up additions with a face value of nearly \$255 million.

Service-Disabled Veterans Insurance (SDVI)

The only Government-administered insurance program remaining open to new issues, SDVI was designed to assure that service-disabled veterans could obtain life insurance at standard rates. Every veteran separated from service on or after April 25, 1951, who receives a service-connected disability rating of 10 percent or more in degree for which compensation would be payable and who is otherwise in good health, has one year from the date of notice of the VA rating to apply for this coverage. The VA notifies veterans of their eligibility for this coverage after a VA service-connected rating is granted.

Since all SDVI policyholders have some service-connected disability, the program is, in effect, insuring substandard risks at standard premium rates. As a result, the program is not self-supporting and requires periodic appropriations to meet its costs. At the end of FY 1988, there were over 176,000 policies in force with a face value of nearly \$1.6 billion. Approximately 3,100 new SDVI policies were issued in FY 1988, but the total number in force still declined by 2 percent.

Veterans Reopened Insurance (VRI)

The VRI program was a limited reopening of National Service Life Insurance for certain disabled World War II and Korean conflict veterans who, because of their disabilities, would be unable to obtain commercial life insurance or could not obtain it at a reasonable cost. Applications for this insurance were accepted from May 1, 1965, through May 2, 1966. Approximately 210,000 policies were issued, of which approximately 127,000 remained in force at the end of FY 1988 with a face value of \$869 million. Premiums on individual VRI policies are determined by the health of the individual veteran.

Public Law 96-128, enacted in 1979, provided that dividends would be payable on VRI policies for the first time in 1980. The 1988 dividend payments averaged \$279 per insured compared to \$259 in 1987.

In addition to regular annual dividends, effective January 1, 1985, the VA began paying termination dividends to JR and JS policyholders upon maturity or cash surrender of their policies, or to the policyholder's beneficiary upon death. Nearly \$250,000 in termination dividends were paid in 1988.

Veterans Mortgage Life Insurance (VMLI)

The VMLI program provides up to \$40,000 of mortgage life insurance protection to any veteran who receives a VA grant for specially adapted housing. Coverage is automatic unless the veteran declines, fails to furnish information to establish the premium, or does not pay the premium. VMLI death benefits are paid directly to the holder of the veteran's mortgage. Coverage closes when the mortgage is paid off, the home is sold, or the veteran reaches age 70.

The monthly premiums paid by disabled veterans covered by VMLI are the same as those charged for nondisabled persons and, therefore, are not sufficient to pay claims. The Government pays the extra-mortality costs and administrative expenses by transfers from the compensation and pension appropriation.

As of September 30, 1988, there were approximately 5,400 VMLI policyholders, with coverage totaling over \$185 million. Death benefits paid during the fiscal year totaled over \$5.1 million.

Total Disability Income Provision (TDIP)

TDIP is an optional rider that an insured may add to the basic policy to provide a monthly income in case of disability. This rider may be added to most Government-administered policies except for those issued under SDVI and some of those issued under VRI, if a veteran pays an extra premium and meets the age and good health requirements.

VMLI Program Now VA-Administered

The law which established the VMLI program required in part that it be administered by a private insurance carrier under contract with the VA. The VA contracted with the Ameritus Life Insurance Corporation, formerly Bankers Life Insurance Company of Lincoln, Nebraska, to act as the insurer in the program. Under the terms of the contract, the Ameritus Corporation acted as insurer and was responsible for the development, authorization, and disbursement of death benefits. All other administrative activities were carried out by the VA.

A VA study concluded that if the VA were to assume all of the administrative responsibilities of the program, savings of almost \$100,000 a year could be realized. It was therefore recommended that legislation be proposed to consolidate all VMLI functions in the VA. Public Law 100-322 authorized the Administrator to take such action.

Effective September 1, 1988, the administration of the VMLI program was taken over in its entirety by the VA.

TDIP provides a monthly benefit of \$5.75 per \$1,000 under USGLI with a finding of total disability. As of September 30, 1988, 491 of these TDIP riders were in force with a face value of \$3.1 million.

TDIP riders have been issued on NSLI, VSLI, and VRI policies under three versions of the law. Under the original provisions, these riders paid \$5 per \$1,000 of insurance with coverage extended to age 60. Subsequent changes first increased the payment to \$10 per \$1,000 of insurance with coverage to age 60 and finally, in 1965, coverage was extended to age 65. The table shows the modifications to the law affecting NSLI policies and the current status of these three different riders.

Effective Date of Modification	Monthly Income Per \$1,000 of Insurance	Coverage To Age	In Force as of 9/30/88	
			Number of Policies	Amount of Insurance (thousands)
Aug. 1, 1946	\$5	60	1,936	\$13,814
Nov. 1, 1958	\$10	60	33,978	\$270,854
Jan. 1, 1965	\$10	65	208,536	\$1,662,359

Government Supervised Programs

Servicemen's Group Life Insurance (SGLI)

The SGLI program was developed in 1965 to provide insurance coverage for members of the uniformed services. It is supervised by the VA, but administered by the Prudential Insurance Company of America as primary insurer. Prudential administers the program through the Office of Servicemen's Group Life Insurance in Newark, New Jersey. During FY 1988, 297 other commercial companies also participated in the SGLI program on a reinsurer/converter, or converter-only basis. By the end of FY 1988, 3.5 million active duty service personnel and reservists were insured in the amount of \$175 billion, and death benefits paid during the year amounted to \$187 million compared to \$184 million for FY 1987.

In addition to full-time coverage for active duty service personnel, full-time or part-time SGLI coverage is available to certain members of the Reserve, National Guard, and ROTC. Members of the four service academies (U.S. Military Academy, U.S. Naval Academy, U.S. Air Force Academy, and U.S. Coast Guard Academy), as well as uniformed members of the Public Health Service and National Oceanic and Atmospheric Administration, are entitled to full-time coverage.

Effective January 1, 1986, the maximum coverage amount was raised to \$50,000. The serviceperson is automatically insured for this amount unless he or she elects in writing not to be insured or to be insured for less than \$50,000 (\$40,000, \$30,000, \$20,000, or \$10,000).

Veterans Group Life Insurance (VGLI)

VGLI is principally a program of post-separation insurance that provides for the conversion of SGLI to a 5-year term policy. Prior to establishment of the VGLI program, SGLI could only be converted directly to a commercial policy with one of the participating companies after separation from service. Studies had shown that very few veterans were taking advantage of the conversion privilege for a variety of reasons, such as uncertain employment prospects, a desire to complete some type of education or training, and the lack of immediate family commitments. VGLI was designed to provide low-cost protection during this period of transition into civilian life.

Persons who are eligible to be covered are active duty SGLI insureds who are being released from active duty for periods not specified as less than 31 days, reservists who are performing training periods of less than 31 days who suffer an injury or disability which renders them uninsurable at standard premium rates, and, effective January 1, 1986, members of the Individual Ready Reserves (IRR) and Inactive National Guard (ING).

To apply for coverage, the eligible person must submit an application with the required premium during the 120 days following separation or entry into the IRR/ING. If a member fails to make application during this period, they may still do so for up to 1 year after SGLI coverage terminates or entry into the IRR/ING, providing they submit evidence of insurability. If a SGLI insured is totally disabled at the time of separation and is granted extended free SGLI coverage, they may apply for VGLI anytime during the 1-year period of extension.

VGLI is issued in amounts of \$10,000, \$20,000, \$30,000, \$40,000, or \$50,000 but not for more than the amount of SGLI the member had in force at the time of separation.

At the end of the term period, an insured has the right to convert the insurance to an individual commercial life insurance policy with any 1 of approximately 297 participating commercial insurance companies, or, in the case of individuals who are members of the IRR or ING, to renew their VGLI for successive 5-year periods.

As of September 30, 1988, 282,195 veterans were insured under the VGLI program for nearly \$12.1 billion in coverage.

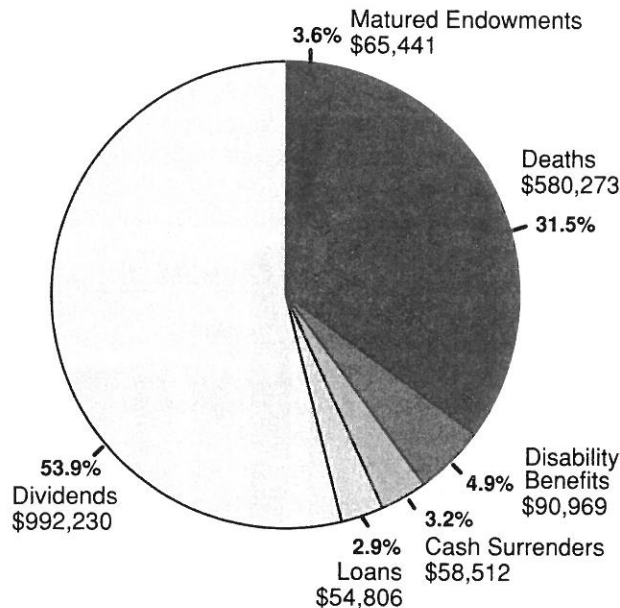
Disbursements

The Government-administered insurance programs disbursed over \$1.8 billion to policyholders and beneficiaries in FY 1988. These disbursements were in the form of dividends, death benefits, disability benefits, proceeds paid to insureds who surrendered their policies for cash, and proceeds paid to insureds whose endowment policies matured.

The following pie-chart depicts amounts and percentages of disbursements by type.

VA-Administered Insurance Disbursements FY 1988

(in thousands)



Veterans Assistance Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Outreach			
Public phone calls—toll-free	5,089,098	5,175,957	-1.7%
Public phone calls—other ¹	3,892,457	4,002,357	-2.7%
Interviews away from office	101,156	106,855	-5.3%
Interviews at office	1,238,054	1,358,754	-8.9%
Patient interviews	391,299	421,027	-7.1%
Correspondence	441,401	493,168	-10.5%
Equal Opportunity			
Compliance reviews	133	220	-39.5%
Complaints of discrimination	16	24	-33.3%
Fiduciary activities			
Cases under supervision	123,437	124,322	-0.7%
Field examinations (program)	76,775	79,255	-3.1%
Field examinations (nonprogram)	11,610	11,489	+1.1%
Special investigations	832	1,034	-19.5%
Fiduciary account audits	33,557	34,478	-2.7%
Legal actions prepared	10,974	13,159	-16.6%
Court appearances	1,419	1,894	-25.1%
Miles traveled (in thousands)	4,291	4,323	-0.7%
Work-study agreements			
Hours worked	17,336	19,425 ²	-10.8%
(in thousands)	2,750	3,181	-13.5%

¹ Modifications to the DVB work measurement system for FY 1987 changed the recording and reporting of telephone calls taken outside the Veterans Services Divisions, Telephone Interview Activities. These calls are now recorded and reported for "special service lines." Calls of this type totaled 330,014 during FY 1987. This amount in FY 1988 was 307,972, a decrease of 6.7 percent.

² Data revised from 1987 Annual Report.

Summary

The Veterans Assistance program ensures that timely and appropriate assistance is provided to aid and encourage all eligible veterans and dependents to apply for and obtain the benefits and services which permit achievement of a rapid social and economic readjustment to civilian life and a higher standard of living. Veterans Assistance personnel in VA field stations made a total of 11,153,465 outreach contacts during 1988. Of this number, 80.5 percent were interviews conducted over the telephone. Correspondence actions totaled 441,401. Interviews with patients at VA medical facilities totaled 391,299.

Equal opportunity compliance surveys of establishments approved for the education or training of veterans totaled 133.

Outreach¹

Diminished resources require flexibility in providing outreach services to identified target groups. Special telephone facilities ensure equal accessibility to benefits information and assistance regardless of geographical distribution or population density. Identified target groups include the aged, the incarcerated, the disabled, female veterans, former prisoners of war, the homeless, the educationally disadvantaged, and the active military, naval, and air service, as well as all other veterans, dependents of veterans, and survivors who may be entitled to benefits but are unaware of them. During FY 1988, emphasis was placed on the following three groups: the homeless, active military personnel, and the aged.

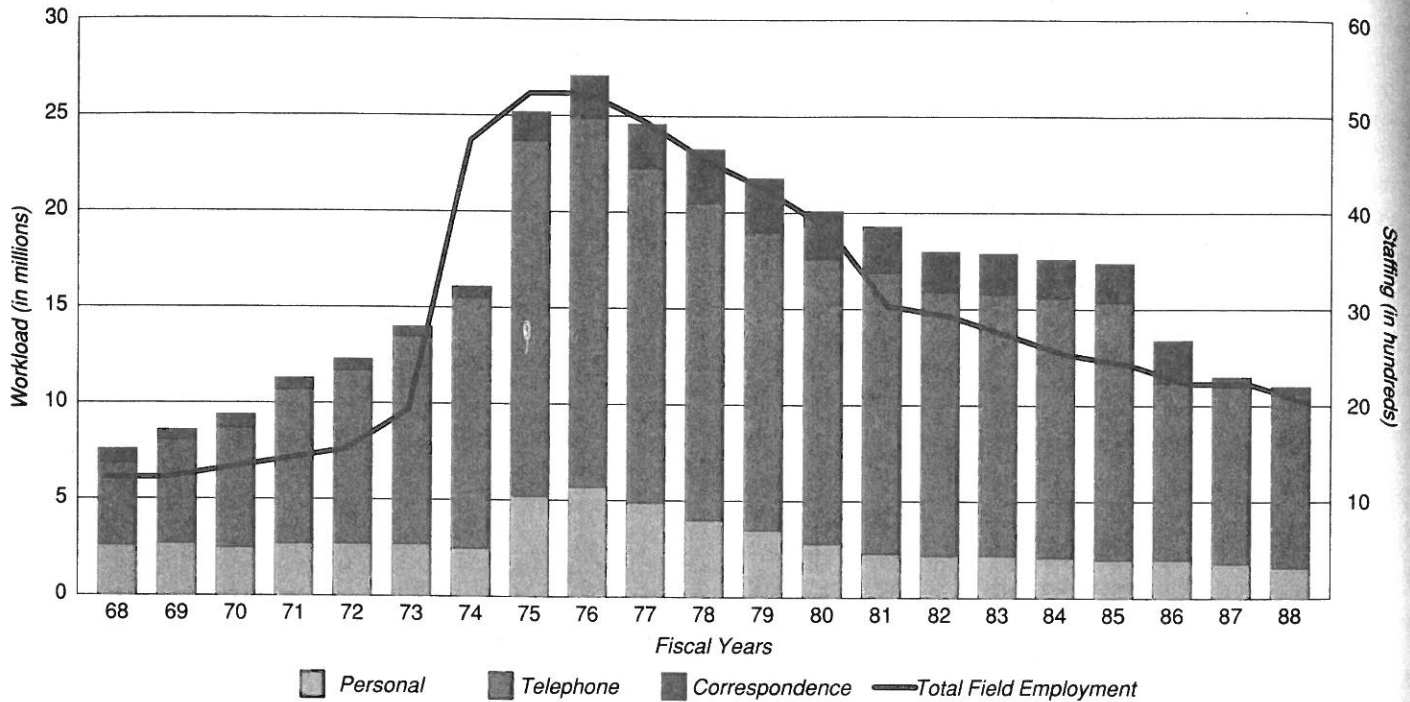
In 1946, telephone interviews were first reported as a means of widespread public contact regarding benefits information and assistance, but comprised only 22 percent of the total contacts. Personal interviews and correspondence comprised 66.5 percent and 11.5 percent, respectively.

Telephone interviews as a percent of total public contacts have continued to grow. In FY 1988, 20 years after installation of the first toll-free telephone circuits, nearly 9.0 million telephone interviews were conducted; this number represents 80.5 percent of all personal contacts reported by field stations. Personal interviews at the office and replies to incoming correspondence represented 11.1 percent and 4.0 percent, respectively, of all such personal contacts.

The following bar-graph shows the trend of total public contacts in each category as reported by field stations from FY 1968 through FY 1988.

¹ This information is included in compliance with title 38, U.S.C., section 245.

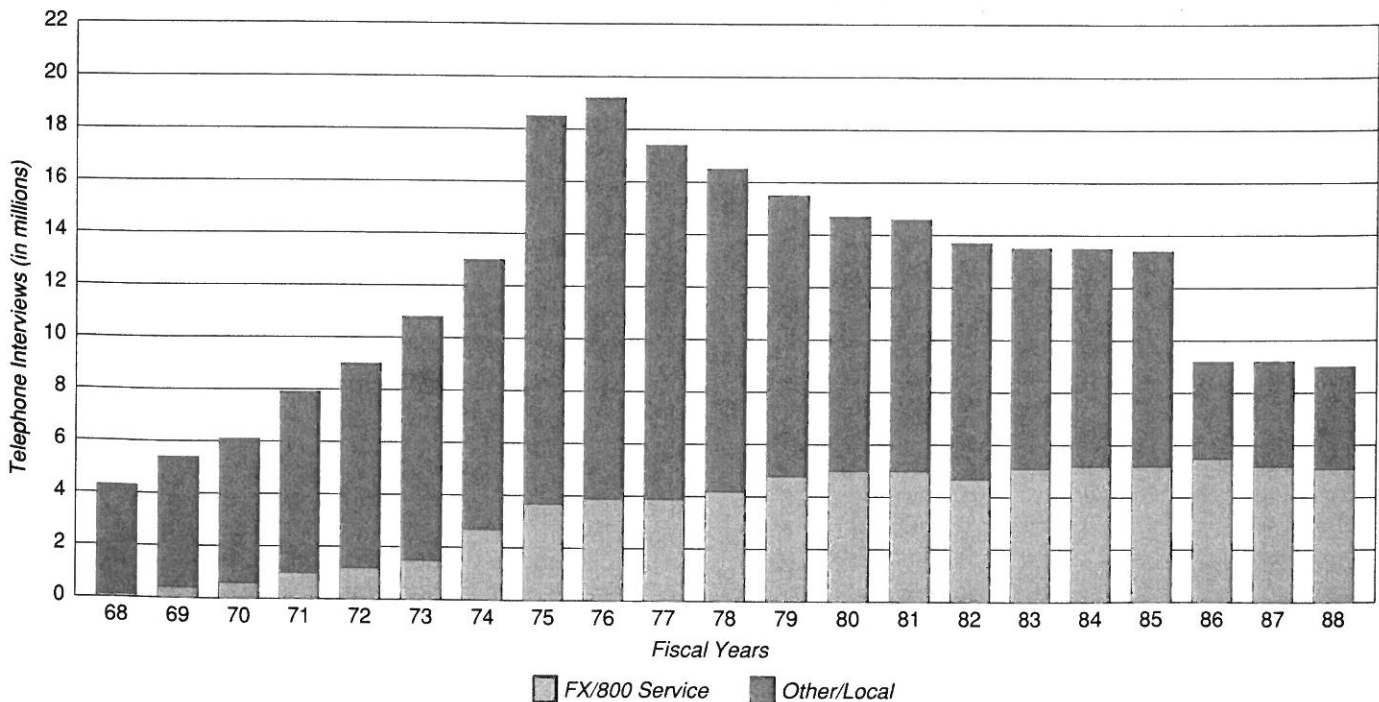
Veterans Assistance Contacts
Veterans Services Division Totals
Workload versus Available Staffing



The following bar-graph shows the trend of toll-free originating telephone interviews. Even with the cost-cutting removal of some additional foreign exchange (FX) lines

during FY 1988, there was only a slight decrease in FX and toll-free 800 service calls.

Trend of Telephone Interviews by Type, FY 1968–1988



Homeless Veterans Outreach

The Veterans Assistance program strives to ensure that comprehensive benefits information and assistance is available for homeless veterans and their families, as well as community service providers. During FY 1988, 10 regional homeless coordinators were designated to work closely with DM&S regional coordinators and other Federal agencies.

The *Homeless Resource Directory* was developed and published to ensure that community service providers to the homeless are aware of all Federal programs available to provide assistance to the homeless and those who assist them. Copies of this directory were distributed to all DVB and DM&S facilities, as well as local community agencies who had expressed an interest in the information.

Outreach to Military Personnel

In FY 1988, the Veterans Assistance program revitalized the provision of accurate and current benefits information to personnel separating or retiring from active duty and the assistance for those being separated by reason of disability to permit them to attain the best possible care and treatment at VA facilities as soon and as efficiently as possible. Initial contacts were made with officials who are directly responsible for providing separation and retirement services to military personnel at the Department of Defense and in each of the five military services. This work involves cooperation with military service departments and their installations in areas such as separation and retirement activities, casualty assistance, personal affairs, education programs, physical evaluation boards, and medical holding companies.

During FY 1988, the Veterans Assistance Discharge System (VADS) was modified slightly to improve the dissemination of information to new veterans while also reducing costs. Exploration began on new ways to provide benefits briefings at military separation points, such as the development of audio or videocassettes on individual benefits programs which would be made available at each separation activity.

National POW/MIA Recognition Day

Responsibility for national coordination of the 1988 annual observance of "National POW/MIA Recognition Day" was transferred April 25, 1988, from the Office of Congressional and Intergovernmental Affairs to the Department of Veterans Benefits. The VA again took a prominent role throughout the Nation in supporting the President and the Congress in honoring all American former-POWs, those servicemen and civilians still listed as missing in action, and their families, on this special day of recognition and respect.

In 1988, about 113,000 copies of the National POW/MIA Recognition Day poster were distributed to other Federal, State, and local government agencies, to veterans organizations, and to private sector groups and individuals. The U.S. Postal Service agreed to display 11,800 posters in its largest, most heavily-used facilities. In addition, assistance was provided the Congress and the Department of Defense for organizing the National Cere-

mony conducted September 16, 1988, on the steps of the U.S. Capitol.

Aging Outreach

The VA continued to respond to the special needs of elderly veterans and dependents for information and assistance. Field stations maintained liaison with nursing homes and senior citizen centers as well as other local and State groups working extensively with the elderly. Seminars were conducted for nursing home operators and other service providers to provide benefits information and assistance. Since the elderly encounter problems with transportation due to mobility-restricting physical ailments, rising costs, and limited income, the use of special toll-free telephone facilities continued to be emphasized as the universal means of access to benefits information and assistance.

Equal Opportunity Compliance

During FY 1988, field station employees conducted 138 onsite equal opportunity compliance reviews in proprietary schools below college level. Equal opportunity program guidelines for proprietary education institutions and for State employment services and recognized service organizations were revised based on comments received during the concurrence process. During FY 1988, the VA received 19 complaints of discrimination, a 21 percent decrease over the 24 complaints in FY 1987. Of the complaints received, two were administratively closed and four were referred to appropriate agencies for processing. The VA retained responsibility for processing 13 complaints. Each of the eight investigations completed resulted in findings of no discrimination. Five complaint investigations had been initiated but had not been completed at the end of the fiscal year.

Fiduciary and Field Examination Program

The rise in age of the veteran population will cause the number of adults under supervision to continue to increase. Current pension eligibility requirements will cause a continued decrease in the number of minors under supervision. During FY 1988, there was an increase of 143 adults and a decrease of 1,028 minors under supervision. The fiduciary and field examination program supervised the payment of benefits to fiduciaries on behalf of 123,437 VA beneficiaries: 116,767 adults who

were incompetent or under some other legal restriction and 6,670 minor beneficiaries. Field station personnel conducted 76,775 fiduciary program field investigations, 11,610 nonfiduciary program field investigations, and 832 special investigations in support of other VA activities. All the investigations resulted in traveling over 4.2 million miles. Personnel also conducted 33,557 fiduciary account audits, prepared 10,974 legal actions, and made 1,419 court appearances.

Foreign Services

During FY 1988, \$450 million of the total \$15.3 billion in compensation and pension benefit payments went to foreign beneficiaries. The VA maintains a strong relationship with the Department of State and the Social Security Administration, which are responsible for the administration of Federal benefits programs in foreign jurisdictions, except in the Commonwealth of Puerto Rico

and the Republic of the Philippines, where VA field stations are located. In Canada, the Canadian Department of Veterans Affairs provides assistance.

Special communication and training programs have been developed to ensure that VA benefits information and assistance are readily available worldwide. Since the early 1980s, VA representatives have trained over 400 foreign service nationals, foreign service officers, and Canadian Department of Veterans Affairs officials. During 1988, briefings were hosted for dignitaries from Australia, Zimbabwe, Canada, Taiwan, and China.

During FY 1988, the VA issued over 5,000 special honor certificates designed by the French Government to recognize U.S. veterans who served in France during World War I. Members of Congress and State and local government officials participated with the VA in presentation ceremonies throughout the Nation.

Cemeteries and Memorials

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Interments	56,216	53,665	+4.8
Applications Received for Headstones/Markers	287,205	282,428	+1.7

Summary

The Department of Memorial Affairs (DMA) administers veterans' interment benefits and programs, which include burials in national cemeteries, headstones and markers, and the State Cemetery Grants program.

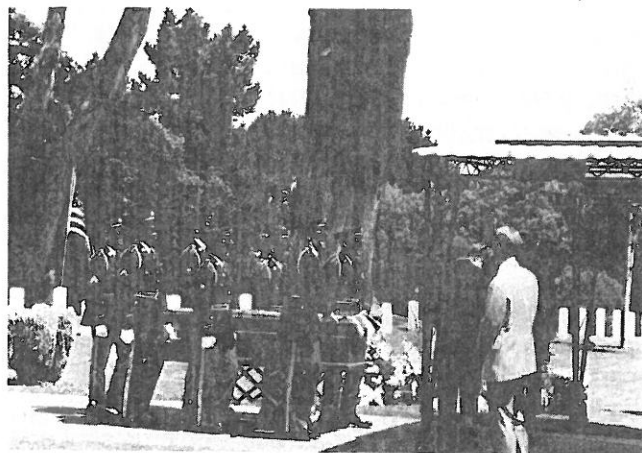
In FY 1988, DMA interred 56,216 veterans and veterans' dependents in the National Cemetery System (NCS) and received 287,205 applications for headstones and markers for graves of veterans buried in cemeteries throughout the world. A total of \$1.3 million was committed to five States and the U.S. Territory of Guam for the establishment, expansion, or improvement of State veterans' cemeteries.

As of the end of FY 1988, the NCS comprised 112 national cemeteries located in 38 States and Puerto Rico. Sixty-seven of these were open to burials; forty-five were closed to the interment of the first member of a family. However, many closed cemeteries continue to bury deceased family members in occupied and reserved gravesites.

The 56,216 interments conducted during FY 1988 represent a 4.8 percent increase over the 53,665 interments conducted during FY 1987 and a 25.8 percent increase over the 44,684 interments accomplished 5 years ago (FY 1983). A significant number of interments in the NCS are of cremated remains, and the number is expected to increase. During FY 1988, 10,587 interments, or 18.8 percent of the total, were of cremated remains.

A major ceremonial event occurred on June 30, 1988, when the remains of 28 casualties of the War of 1812 were repatriated from Canada for burial in the United States. At Fort Erie, Ontario, the Canadian Minister of Veterans Affairs transferred possession of the remains to Thomas Niles, U.S. Ambassador to Canada. The flag-draped caskets were taken to Bath National Cemetery, New York, for burial. The remains were discovered a year earlier at a Fort Erie construction site. The U.S. Army supervised efforts to establish their identification as American soldiers.

During FY 1988, the Florida National Cemetery in Bushnell, Florida, was completed and opened, and the Woodlawn National Cemetery in Elmira, New York, which had reached capacity and closed in 1969, was reopened following the purchase and donation of an additional 2.8 acres by local veterans organizations.



Over 56,000 interments were performed in national cemeteries during FY 1988.

During FY 1988, Congress authorized funds for the completion of environmental impact studies at four geographic locations as a preliminary step towards establishing possible new national cemeteries in the Chicago, Cleveland, Seattle/Tacoma, and Albany/Utica areas. These are 4 of the 10 geographic areas identified in the June 1987 "Report on the National Cemetery System" (required by Public Law 99-576) as having the largest number of unserved veterans. In FY 1988, DMA began the process of identifying possible sites at all four areas to receive the technical reviews that will result in published environmental impact statements (EIS).

Preparation of an EIS was completed for the establishment of a new national cemetery in Northern California. The master plan and preliminary design for Phase I construction were completed.

A total of 58 construction projects were completed at 49 national cemeteries in FY 1988. Construction included renovating buildings at five national cemeteries, installing storm sewers, replacing water lines and hydrants, maintaining trees, installing flagpoles, and painting. At Riverside National Cemetery, California, 40,000 additional gravesites were developed and 2 terraced cremation areas were built. In addition, an amphitheatre, public restrooms, and a parking lot were built in the assembly area, and the maintenance complex was renovated. At Fort Bliss National Cemetery, Texas, a ramp for the disabled was installed in the administration building. The retention pond at Fort Snelling National Cemetery, Minnesota, was reconstructed after being damaged by a severe storm. A feasibility study for developing 40 acres at Santa Fe National Cemetery, New Mexico, was completed. Maintenance-related projects, such as painting, and roadway, fence, and wall repairs, also were accomplished.

Projects designed to eliminate asbestos materials from cemetery facilities were continued during FY 1988. Asbestos removal projects were completed at 14 national cemeteries.

A total of 19 additional projects were initiated at 18 national cemeteries in FY 1988. Among them were gravesite renovation at Long Island National Cemetery, New York; design and development of 2,000 gravesites at Salisbury National Cemetery, North Carolina; and construction of an administration building and cemetery access drives at Chattanooga National Cemetery, Tennessee.

Perspectives

The aging of the veteran population has a direct impact on the National Cemetery System. DMA's workload has been rising about 3 percent annually and is likely to continue to increase until the early part of the next century. With increasing demands for service—both present and future—the main thrust in the national cemetery program is to provide grave space for as many veterans and eligible dependents as possible.

The DMA budget for FY 1988 totaled \$47.1 million, not including the State Cemetery Grants program that obligated \$1.3 million for the construction of State cemeteries.

In FY 1988, DMA program responsibilities were accomplished with 1,202 full-time employee equivalents (FTEE). Staffing was distributed as follows:

- Central Office (Headquarters, Monument and Field Operations Support Services)—165 FTEE;

- National Cemetery Area Offices (Atlanta, Philadelphia, and Denver)—25 FTEE;
- National Cemeteries—1,012 FTEE.

DMA continued its vigorous automated data processing (ADP) modernization program which was begun in late FY 1985. Personal computers are providing information exchange with Agency and departmental data bases. Three full years of computer procurement have resulted in the acquisition of 100 personal computers for 72 sites in national cemeteries, area offices, and Central Office. In FY 1988, 42 of these sites were linked to the VA Data Transmission System (VADATS), permitting cemetery directors to operate more efficiently in several areas. These include establishing eligibility for burial, processing payroll, preparing procurement requests, and reviewing vendor payments and key operational indicators.

Headstones and Markers

Item	FY 1988	FY 1987	Percent Change
Applications Received for Monuments	287,205	282,428	+1.7
Monuments Ordered	293,039 ¹	253,581	+15.6
National Cemeteries	65,232	51,653 ²	+26.3
All Other Cemeteries	227,807	201,928 ²	+12.8
Replacement Monuments	6,608	4,273	+54.6

¹ For FY 1988, monuments ordered exceed applications received because some monuments applied for in late FY 1987 were ordered in FY 1988.

² Data revised from 1987 Annual Report.

Since taking responsibility for the monument program in 1973, DMA has provided more than 3.5 million monuments to honorably mark the graves of veterans in this country and overseas. This is the largest activity of its kind in the world.

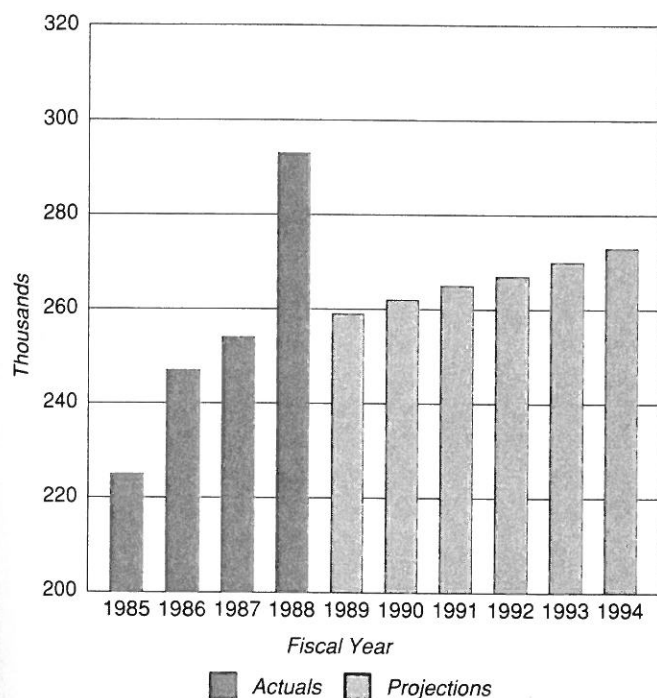
Monument procurement and transportation costs for FY 1988 totaled \$20.9 million, resulting in an average cost of \$71.39 per monument—substantially below the price of a privately purchased monument. This cost was the basis for the FY 1988 reimbursement of \$76 to next-of-kin who purchased a grave marker for a veteran's gravesite, rather than request a Government monument.

The quality and timeliness of service improved significantly. The time required to process a claim was reduced from 53 days in October 1987 to an average of 19.4 days in FY 1988. Processing time—which comprises validating eligibility as well as ensuring the accuracy and completeness of inscription information given—is measured from time of receipt of an application to placing an order with a manufacturer. The inscription error rate of 0.9 percent in FY 1987 was reduced to 0.5 percent in FY 1988.

Record Number of Monuments Provided

DMA served more veterans and next-of-kin in FY 1988 than in any other year. A record number of 293,039 monuments (i.e., headstones and markers) were provided to thousands of destinations in a timely, economical manner. This quantity represents a 25.8 percent increase over the yearly average of 232,950 monuments ordered from FY 1974 through FY 1987. Other records were also set: two months in which more than 30,000 monuments were ordered; more than 20,000 monuments ordered in every month; a monthly average of 24,420 monuments ordered; and an annual total of 310,549 applications for monuments processed, 287,205 of which were ordered in FY 1988. In spite of the increased workload, Monument Service adhered to its goal of delivering monuments within 60 to 90 days of receipt of applications. Private cemeteries primarily, but also State, military post, and National Park Service cemeteries, received 78 percent of the monuments. VA national cemeteries received 22 percent.

Monument Service Monuments Ordered Actuals and Projections



A strong public relations effort was undertaken by DMA during FY 1988 to keep veterans, veterans' service officers, and national/State cemetery directors fully informed concerning the monument program. Monument Service staff addressed veterans assistance groups in Georgia, Illinois, Nebraska, New Jersey, North Dakota, Pennsylvania, and South Carolina. They also delivered presentations to American Legion service officers at their national convention; the Veterans of Foreign Wars State directors at their national training conference; State Department Foreign Service representatives; and U.S. Army mortuary officers. Relations with State veterans cemetery directors were improved through one-to-one contact and greater accessibility to information for problem resolution as a result of full use of the Automated Monument Application System. This ADP system began in FY 1987.

DMA's monument program compassionately broadened its scope to better serve veterans. In addition to the

Medal of Honor valor award, as of May 1, 1988, the Distinguished Service Cross, the Navy Cross, the Air Force Cross, the Silver Star Medal, and the Purple Heart Medal may be inscribed on grave markers at Government expense. Upon request and with evidence of service, two or more branches of military service, with the highest respective rank in each, also may be shown at Government expense if space permits.

Type of Monument	Number Ordered		Percent Change
	FY 1988	FY 1987	
Upright marble	42,970	32,420	+32.5
Flat marble	8,532	10,154	-16.0
Flat granite	76,500	87,309	-12.4
Flat bronze	163,151	122,242	+33.5
Niche markers	1,886	1,456	+29.5
TOTAL	293,039	253,581	+15.6

A significant increase occurred in the number of upright marble headstones ordered in FY 1988 as a result of Public Law 99-576. The law required that, effective January 1, 1987, all graves in new sections of national cemeteries be marked with upright headstones. An increase in the number of flat bronze markers ordered in FY 1988 was a result of the automation of monument order processing. Automation resulted in an increased number of orders on hand at the end of FY 1987, and the contractor was unable to handle the increased workload; contractor capacity was subsequently doubled for FY 1988, resulting in a substantial increase of flat bronze markers ordered. An increase in niche markers ordered also occurred, reflecting the trend to more cremations and the increased use of columbaria at national cemeteries.

State Cemetery Grants Program

The VA's relationship to State veterans cemeteries is based on a Federal assistance program to aid States in the establishment, expansion, or improvement of veterans cemeteries. The program became operational on October 1, 1979, and as of September 30, 1988, the VA had obligated \$20 million in support of 26 cemeteries for veterans in 17 States and the U.S. Territory of Guam. Four of the grant requests were received in FY 1988, and \$1.3 million was obligated in support of construction projects in Delaware, Maryland, Rhode Island, Wisconsin, Wyoming and Guam. The accompanying table pro-

vides details on projects underway at the end of FY 1988.

<i>Location</i>	<i>Project</i>	<i>Cumulative Grant Funds Obligated (thousands)</i>
Delaware New Castle Co.	Establishment (incl. admin./ maint. buildg. & chapel)	\$1,595
Guam Piti	Phase II (completion of increments II/III/IV)	1,597
Hawaii Kauai	Expansion/improvement	118
Hawaii	Expansion/improvement	51
Oahu	Establishment (incl. combined admin./ committal lanai and maintenance area)	1,350
Maine Augusta	Expansion	100
Maryland Crownsville	Improvement (well & irrigation system)	58
Garrison Forest	Improvement (soil erosion/pond project)	31
Missouri Higginsville	Establishment (including support buildings)	900
Nevada Boulder City	Establishment (incl. admin. and maint. buildings and chapel)	350
Fernley	Establishment (incl. admin. and maint. buildings and chapel)	350
North Carolina	Establishment of three cemeteries (in Onslow, Cumberland, and Buncombe Counties)	1,350
Rhode Island Exeter	Improvement (incl. maintenance complex)	436
Utah Bluffdale	Establishment (incl. admin. and maint. buildings)	613
Tennessee Knoxville	Establishment	(pending)
Wisconsin King	Improvements (to include pavilion)	79
Wyoming Evansville	Improvements (including potable water)	190
	TOTAL	\$9,168

Administration and Management

Office of the General Counsel

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Debt collection (millions)	\$14.0	\$20.0	-30.0
Medical care reimbursements (millions)	\$27.2	\$21.7	+25.3
Settlement of administrative tort claims under \$2,500	\$266,431	\$259,753	+ 2.6

The Office of the General Counsel serves as the chief legal officer on all matters of law, litigation, and legislation, interprets all laws pertaining to the VA, and provides all necessary legal services. During FY 1988, the Office of the General Counsel continued to provide legal support in litigation involving a number of VA programs.

In FY 1988, the Agency's "willful misconduct" regulation (38 C.F.R., section 3.301(c)(2)) was upheld by the United States Supreme Court. The Court ruled in *Traynor v. Turnage*, 108 S.Ct. 1372 (1988), that the regulation does not discriminate against primary alcoholics and is therefore not in violation of the Rehabilitation Act. Legislation was pending at the end of the fiscal year which would provide that the disabling effects of chronic alcoholism would not be considered to be the result of "willful misconduct" for purposes of benefits extension under any VA education benefit or rehabilitation program.

The Supreme Court's *Traynor* decision also affected another suit initially brought in Federal District Court in Philadelphia, Pennsylvania, challenging VA's longstanding policy that a veteran is not eligible for nonservice-connected disability pension when the sole disability making the veteran unemployable is alcoholism. Upon dismissal by the district court, the plaintiff appealed to the Third Circuit Court of Appeals. Following the *Traynor* decision, the Court of Appeals remanded the Philadelphia case for dismissal.

The Office of the General Counsel, working with the Department of Justice, has been involved in extensive litigation which challenges the VA's right to collect an indemn-

nity debt from veterans whose guaranteed home loans have been foreclosed. In 1961, the United States Supreme Court in *United States v. Shimer* upheld the VA's regulation which provides for indemnity debts. Although the Supreme Court stated that the VA's regulation was intended to displace inconsistent State law, some veterans have argued that more recent decisions make the VA subject to State laws which restrict a creditor's right to recover a deficiency following foreclosure. Several decisions by the United States District Court in Washington State, including one class action, have held that the VA is bound by Washington law which prohibits lenders from seeking a deficiency when the guaranteed loan was foreclosed nonjudicially. To date, Federal courts in California and Utah have declined to follow the Washington State decisions, and have ruled that the principles stated in *Shimer* are still valid. Class actions are pending in Oregon and Arizona on this point.

The Office of the General Counsel worked closely with the Department of Veterans Benefits in reviewing all legal issues associated with the sale of VA vendee loans without recourse. The Office was instrumental in the drafting and negotiation of essential terms and documents which facilitated the sale of over \$500 million in loans to investors.

The Office of the General Counsel also participated in settlement negotiations with manufactured home manufacturers, with recoveries in the past year totaling approximately \$750,000. In negotiations with a nationwide lender accused of irregular practices in the origination of VA guaranteed loans, this Office participated in settling the matter in the amount of \$700,000.

The Office of the General Counsel assisted in defending the constitutionality of the statutory attorney fee limitation in a 2-month trial in the Federal District Court for the Northern District of California. The issue before the court is whether the fee limit is unconstitutional as applied in the cases of veterans and survivors claiming VA compensation for disabilities or death allegedly resulting from exposure to nuclear radiation in service, either during the occupation of Hiroshima or Nagasaki, Japan, or at atomic weapons testing. The district court continued to deliberate, and no decision was rendered during the fiscal year.

Another suit challenged certain management practices at the Board of Veterans Appeals. This action was pending in the Federal District Court for the District of Columbia, with plaintiffs claiming that the board's use of production goals and cash bonuses, among other things, violated appellants' due process and equal protection rights.

An equal protection challenge was also at issue in a suit pending before the Federal District Court in Puerto Rico. Plaintiffs in this case alleged that the VA's decision to review certain neuropsychiatric claims in the San Juan Regional Office was motivated by racial prejudice. They also alleged violation of the due process rights of the claimants whose claims were reviewed.

Also pending was a suit challenging the VA's implementation of the Veterans' Dioxin and Radiation Exposure Compensation Standards Act, Public Law 98-542, regarding Agent Orange disability claims. In essence, plaintiffs attacked the regulation, codified in 38 C.F.R., section 3.311(a), which governs claims for disability benefits based upon exposure to herbicides containing dioxin while in Vietnam.

During FY 1988, the Office of the General Counsel was involved in 13 cases testing the exclusiveness of the Administrator's power to prescribe conditions of employment for title 38 employees. In the lead case on this issue, *Colorado Nurses v. FLRA*, the United States Court of Appeals for the D.C. Circuit fully adopted the VA's legal argument. Because of this decision, the Federal Labor Relations Authority (FLRA) requested the court to remand the remaining cases to the FLRA for dismissal, pursuant to the court's ruling that VA is not obligated to bargain on the working conditions for title 38 employees.

In *AFGE v. FLRA*, the Court of Appeals for the D.C. Circuit confirmed the VA's longstanding view that a Government agency may lawfully refuse to implement an arbitral award affecting employment on the basis that the arbitrator lacked subject matter jurisdiction.

In *Brinkley v. VA*, a VA District Counsel persuaded the Merit Systems Protection Board to reverse its rule in handicap discrimination cases. The District Counsel's position, adopted by the Board, was that the anti-discrimination law does not prohibit management from taking disciplinary action on misconduct that is not actually caused by a handicap. As a result, VA prevailed in its removal from employment of a pharmacist who had been stealing drugs.

The VA and the Department of Justice worked closely on a significant case involving a challenge by an agency of the State of New York to a VA medical center's departure from State procedures affecting patients committed to the VA. As a result, a district court in *Schrader v. Granninger* upheld VA's view and granted a partial summary judgment holding that the Agency is not bound by State law in the care and post-commitment procedures under State law. Plaintiffs sought, and the district court

granted, certification for an immediate appeal of the question whether provisions of New York's Mental Hygiene Law apply to the VA hospital.

In *Minnesota Department of Jobs and Training, Services for the Blind and Visually Handicapped v. Veterans Administration*, the Office defended a complaint under the Randolph-Sheppard Act, alleging that the Veterans Canteen Service's (VCS) refusal to grant a permit to provide vending machines to a State-licensed vendor at the VCS Canteen in St. Cloud, Minnesota, violated the Act and implementing regulations. The decision by an arbitration panel adopted major elements of the VA's argument: that VA was not bound by regulations conflicting with VCS' enabling statute and is under no obligation to confer on the State a permit to do business without some financial return to the VCS. The panel recognized VCS' statutory obligations to provide services to veterans and its need to earn revenues to finance its operations nationwide.

Nevertheless, the panel's order raised troublesome issues. Specifically, the panel ordered the VCS and the State to enter into negotiations for a commission rate to be paid to VCS on vending services provided by the State's licensee. If within 6 months the parties fail to reach an agreement, the panel will hold a hearing and receive evidence to decide an appropriate rate of commission. The panel ordered VCS to cease charging the blind vendor a commission until a rate is established under this procedure. By its decision, the panel retains jurisdiction of the case for purposes of overseeing the negotiations and setting a commission.

The Office of the General Counsel participated extensively in the implementation of the President's Drug-Free Workplace Program. In FY 1988, the Office:

- Participated in the Agency's Drug-Free Workplace Program Implementation Task Force which, among other things, prepared, and gained Department of Justice (DOJ) and Department of Health and Human Services (HHS) approval of the VA's Drug-Free Workplace Plan and its accompanying justifications for the designation of "sensitive positions."
- Provided legal counsel with respect to compliance with Public Law 100-71, Executive Order No. 12564, and HHS Mandatory Guidelines.
- In conjunction with DOJ, provided legal services in connection with the VA's defense against three lawsuits—*AFGE v. Turnage*, No. 87-702 (E.D. La.); *Hansen v. Turnage*, No. C-88-30261 RPA (N.D. Cal.); *AFGE v. Turnage*, No. C-88-20357 WAI (N.D. Cal.)—challenging the constitutionality of VA drug testing.
- Provided counseling with respect to compliance with injunctive orders issued as a consequence of the above-cited litigation.

- Responded to numerous congressional, employee, and public inquiries concerning the terms and status of the VA's drug testing policies.
- Participated extensively in executive branch-wide efforts to develop a coordinated position with respect to numerous congressional proposals for "omnibus" drug legislation, and responded on an almost daily basis to numerous OMB and congressional inquiries concerning such legislative proposals.

Revised regulations dealing with legal opinions of the General Counsel were published for public comments in March 1988. Essentially, the amendments would specify which General Counsel opinions have precedential effect and would clarify their binding nature upon claimants and VA officials. Several comments were received, and preparation of the final regulations is underway.

Also nearing publication in final form were regulatory amendments dealing with organizations and individuals approved to represent claimants for VA benefits. Numerous comments had been received in response to the initial publication in March 1987, and preparation of the final regulations was near completion. The amendments would clarify a number of rules, including governing the use of paralegal assistance by recognized representatives, use of VA office space by veterans service organizations, and recognition of new organizations.

In the area of school liability for overpayments resulting from failure to certify student enrollment status in a proper, timely manner, the Government continues to pursue collection efforts. Active investigation of potentially liable schools continues, although the number of investigations has declined due to better compliance by schools. Some cases have been submitted to the Department of Justice for enforced collection, while other cases have been resolved through successful compromise and settlement offers.

In the 1970s the VA funded an education program for servicemen and women by providing them with an opportunity to enroll in and pursue an education at an approved institution prior to their discharge from active duty with the Armed Forces. This program was known as PREP (PredischARGE Education Program). After PREP was terminated in October 1976, the VA Inspector General audited several educational institutions which participated in the program and reported that, although the schools were not intended to make a profit on PREP, numerous educational institutions had unjustly accumulated surplus funds. In suits against several educational institutions to recoup these surplus funds, the United States, on behalf of the VA, recovered a total of \$3.4 million.

Progress continued to be made in the area of the collection of monies owed to the Government. Debt collection litigation resulted in cash recoveries of \$14 million. The

cost of medical care furnished for nonservice-connected disabilities is recovered from liable third-party tortfeasors, workers' compensation plans, crime victims programs, and no-fault automobile insurance. Collections from these sources amounted to \$27.2 million in FY 1988, a \$5.5 million increase over FY 1987. Additional authority to recover from health insurance plans provided by Public Law 99-272 resulted in recoveries of over \$100 million, representing a four-fold increase over the prior year.

The Office of the General Counsel in coordination with the Office of Acquisition and Materiel Management developed and awarded a contract to a private collection agency for the recovery of VA health care costs under the workers' compensation laws of California. The contract followed a pilot project which extended over the past 3 years. The new term is for 1 year with four 1-year options to renew.

Legislation drafted by the Office of the General Counsel was enacted to increase the VA's settlement authority under the Federal Tort Claims Act, to clarify the statute of limitations in medical care cost recovery cases, and to expand the immunity from personal liability of VA health care workers.

The number of medical malpractice claims under the Federal Tort Claims Act decreased, with 844 new claims received during the fiscal year as compared with 983 new claims in FY 1987. A record number of claims, 206, were settled by the General Counsel and District Counsels, and over 60 percent of malpractice claims were resolved administratively without litigation. The total amount paid on settlements and judgments of malpractice claims and suits in FY 1988 was \$29 million. Virtually all of this amount was paid out of the Department of Treasury judgment fund. Agency funds paid out in settlement of administrative claims (not exceeding \$2,500) equaled \$266,431, a 2.6 percent increase over FY 1987.

FY 1988 was marked by significant increases in the workload involving legal actions related to procurement of construction, supplies, and services.

There were 212 new appeals filed with the VA Board of Contract Appeals (BCA), and 29 cases appealed directly to the Claims Court. At the end of the fiscal year there were 143 cases pending before the BCA. The Office also reviewed and concurred in approximately 12 post-award mistake-in-bid cases.

In FY 1988, the Office of the General Counsel was instrumental in providing advice in the newly restructured contractor debarment program which is administered by the Office of Acquisition and Materiel Management. The implementation of the new program brings the VA's program more closely in line with the military services' and other Government agencies' debarment programs. The Office of the General Counsel is also currently advising

the Office of Acquisition and Materiel Management in the drafting of VA acquisition regulations which would fully implement this restructured program. In addition, the Office of the General Counsel has been acting as a facilitator in the successful application of debarment procedures to matters involving fraud in procurement.

In FY 1988, the Office of the General Counsel handled a substantial number of bid protests. These protests were distributed as follows: 85 protests filed with the General Accounting Office (GAO); 29 filed with the Agency; and 8 filed with the General Services Administration (GSA) Board of Contract Appeals. General Counsel's responsibilities in regard to the bid protests consist of preparing bid protest reports to GAO on those protests filed with the Comptroller General and reviewing and concurring in those prepared by the VA's Office of Acquisition and Materiel Management on Agency protests; representing the Agency at GAO protest conferences; appearing before the GSA Board of Contract Appeals on protests involving the acquisition of ADP equipment and services; and assisting United States attorneys in defending contract actions in the United States District Courts and the United States Claims Court. In addition, there were 51 pre-award mistake-in-bid cases which this Office reviewed and concurred with.

The Office of the General Counsel has responsibility within the VA for interpreting and applying Federal information law to VA operations. The General Counsel also assists the United States Attorney's office in defending the Agency in all stages of information law litigation. Such laws include the Freedom of Information Act (FOIA), the Privacy Act, and the VA's own records confidentiality statutes, 38 U.S.C., sections 3301, 3305, and 4143.

In FY 1988, the Office of the General Counsel determined that there was a need to train VA personnel in this area of the law and presented two information law training seminars at VA Central Office. Using a combination of lecture and small group training, approximately 200 VACO attendees received a 4-hour block of instruction on FOIA, the Privacy Act, and the VA's confidentiality statutes.

Among the major Governmentwide information laws, one which has a substantial impact on the VA is the FOIA. The FOIA requires that a report for each calendar year be submitted to Congress which describes the Agency's administration of the FOIA. During 1988, of those requests which were initially denied, 29 were appealed to the Administrator for final Agency determination. The Office of the General Counsel prepares these FOIA appellate decisions for the Administrator's review and approval. A total of 6 of the appeals were granted in full, 17 were denied in full, and 6 were granted in part.

Another major information law statute is the Privacy Act, which requires a report be submitted to the Office of

Management and Budget (OMB) each year for inclusion in the President's report to Congress on activities of Federal agencies in administering the Act. The most current annual Privacy Act report data show that the Office of the General Counsel prepared 30 recommended decisions concerning appeals under the Privacy Act last year. These included 27 appeals seeking amendment of records, 11 of which were granted in whole or in part, and 3 appeals seeking access to records, 2 of which were granted.

During FY 1988, the Office of the General Counsel made 664 final decisions regarding complaints of discrimination. Those decisions involved procedural questions of the acceptability of complaints for further investigation, as well as the substantive decisions involving the issue of the occurrence of discrimination. In addition, 148 cases referred to the Office of the General Counsel for final decision were remanded for further information or fact-finding.

During FY 1988, 206 decisions were received from the Office of Review and Appeals of the Equal Employment Opportunity Commission (EEOC) on appeals from decisions made by the Office of the General Counsel. A total of 169 (82 percent) of the VA decisions were upheld on either procedural grounds or substantive questions concerning the existence of discrimination. Also, the Office of the General Counsel processed an additional 200 employees' appeals to the EEOC of final Agency decisions.

The General Counsel's Office wrote and filed 18 briefs or pleadings with the Federal Labor Relations Authority and other tribunals on negotiability and arbitration cases. Litigation results in more than 50 controversies were reviewed for appeal, and the Office coordinated more than 30 unfair labor practice cases defending the VA position that unions may not receive home addresses of bargaining unit employees. More than 20 major litigation reports were provided to the Department of Justice.

VA continued to implement fully the standards and requirements of the Ethics in Government Act with respect to the annual filing, review, and maintenance of both public and confidential financial disclosure reports which must be submitted by certain VA employees. The Assistant General Counsel, who serves as the VA Designated Ethics Official, reviewed and signed over 400 public financial disclosure reports of senior employees during FY 1988. He also coordinated the review of over 800 confidential reports.

The Office increased its education program for employees on their responsibilities to maintain a high standard of conduct and to avoid even the appearance of a conflict of interest. There was a sizable increase in the volume of inquiries from managers and employees for written or informal advice and for presentations at meetings and training sessions on conduct-related issues. There were numerous requests for formal opinions on the scope of lawful outside activities of employees, espe-

cially from physicians and other health care providers, and many requests for formal guidance on restrictive post-employment provisions of the Ethics in Government Act of 1978. The Office continued its close coordination with the Office of Government Ethics, the agency with responsibility over the conduct of executive branch employees and participated actively in the Advisory Council to the Director of the Office.

During FY 1988, the Office was also heavily involved in the development of historic legislation destined to be enacted in early FY 1989. It coordinated the preparation and presentation of the Agency's official views and recommendations concerning legislation later passed as the Department of Veterans Affairs Act, the law that elevated the Agency to Cabinet department status effective March 15, 1989. The General Counsel's Office also developed and presented testimony and technical advice to the Veterans' Affairs Committee concerning legislation affording veterans the right to contest denials of their benefits in a new U.S. Court of Veterans Appeals.

Office of the Inspector General

Comparative Highlights

Item	FY 1988	FY 1987	Percent Change
Audit Activities			
Audit Reports Issued	271	242	+12.0
Internal	126	124	+1.6
External	145	118	+22.9
Costs audited in external audit reports (millions)	\$822.0	\$339.5	+142.1
Investigative Activities			
Investigation cases closed	878	876	+0.2
Investigation cases accepted for prosecution	264	131	+101.5
Individuals/firms convicted	248	266	-6.8
Administrative sanctions ¹	295	264	+11.7
Potential cost recoveries, efficiencies, and fines from all audit reports and investigative activities (millions)	\$1,024.8	\$1,165.5	-12.1

¹ Includes administrative sanctions from hotline cases.

The Inspector General, in accordance with the Inspector General Act of 1978 (Public Law 95-452), conducted a series of coordinated audits and investigations designed to identify opportunities to enhance the effectiveness, efficiency, and operations of VA programs; and to prevent and detect fraud, waste, and abuse. These audits and investigations highlighted the need for improvements in major VA program and operational areas such as de-

livery of medical care, loan guaranty, disability payment controls, facility planning, and procurement.

The audits completed during FY 1988 resulted in recommendations for strengthened internal controls, and pointed out the opportunity for potential program recoveries and cost efficiencies of over \$1 billion. The 878 investigations and hotline reviews completed during this period resulted in 248 criminal convictions and 295 administrative sanctions.

The Office of the Inspector General (OIG) productivity indicators, such as costs audited in external audit reports, administrative sanctions, audit reports issued, and investigation cases accepted for prosecution, were significantly higher in FY 1988 than the previous year. Also, important program areas such as medical care delivery, loan guaranty, and construction contract administration were given more audit and investigative coverage, and significant results were achieved.

The Veterans Benefits and Services Act of 1988 (Public Law 100-322) assigned the OIG with overseeing, monitoring, and evaluating the effectiveness of VA's quality assurance programs. The OIG will provide the Chief Medical Director, the Administrator, and the Congress with an objective assessment of the effectiveness of these programs. To implement the law, the Office of the Inspector General:

- Established a Quality Assurance Review Division;
- Established a quality assurance "desk officer" within the Office of Audit;
- Coordinated a training program for audit staff;
- Initiated development of a comprehensive quality assurance audit guide; and,
- Developed and prioritized a quality assurance audit universe.

Other significant legislation passed this year included the Inspector General Act Amendments (Public Law 100-504). Existing semiannual reporting requirements to Congress were expanded to include detailed statistical information on the status of audit reports, until corrective actions have been completed or monies due the VA are recovered or written off. In addition, the law provided for a separate appropriation for the OIG to further strengthen its autonomy.

The Office of the Inspector General reviewed 153 legislative and regulatory proposals, making recommendations concerning their impact on the economy and efficiency of VA programs and operations or the prevention and detection of fraud and abuse.

Office of Budget and Finance (Controller)

Comparative Highlights

<i>Item</i>	<i>FY 1988</i>	<i>FY 1987</i>	<i>Percent Change</i>
Direct deposit/electronic fund transfer (C&P payments) participants	1,496,313	1,474,493	+ 1.5

Financial Management

The Office of Budget and Finance (Controller) has enhanced its financial services delivery by increasing the number of payments processed through electronic transfer of funds by the VA Finance Center in Austin, Texas. The Center has moved vigorously toward a paperless system by having vendors bill 191,000 invoices electronically for a total of \$155 million disbursed via electronic transfer. VA makes about 70 percent of the nationwide Corporate Trade Payments and is the only Corporate Trade Exchange participant to have multiple payments. The VA Finance Center processes approximately 40,000–50,000 transactions daily for 342 facilities and disburses over \$3 billion annually.

The Office of Budget and Finance continues to move aggressively in a number of cash management areas. Credit cards are in use for travel and debt collection and are proposed for small purchases, for which drafts are currently used. A pilot test is underway to electronically replenish agent cashiers' funds, thereby eliminating the need for "cash on hand." Special initiatives are under negotiation with the Department of Treasury to better manage pay-cycle processing for benefits as a debt prevention objective, and to expedite processing time for commercial payments through the Treasury/Federal Reserve Board/Commercial Bank System.

The Personnel Accounting and Integrated Data (PAID) Redesign project is a major management and productivity improvement initiative which will reduce the cost of providing payroll and personnel services by re-engineering the existing PAID system. During FY 1988, detailed functional requirements for the PAID Redesign project were completed. Also, a prototype that automated time-keeper functions which had previously been performed manually was developed and successfully tested.

The goal of the Financial Management System (FMS) is to develop an automated, integrated, Agencywide financial management system by 1992. Such a system would greatly improve the ability to modify and enhance VA financial operating and reporting capabilities. During FY 1988, system requirements were identified for the FMS project. In addition, as a related effort, the new U.S. Standard General Ledger was implemented and installed in the nationwide Trial Balance.

Current systems are being enhanced, with approximately 25 projects using electronic transmission technologies which are transferable to future PAID Redesign and FMS systems. The goal of these "paperless" projects is to eliminate the mailing and handling of approximately 5 million documents.

Resource Planning

Since its establishment in 1987, Resource Planning Service has made major strides in providing improved analytic support to the Controller and VA top management on numerous budget and resource utilization issues. Much of this work was based on a Controller initiative called Planning Resource Information System for Management (PRISM). PRISM is a productivity-based cost accounting system that tracks FTEE, dollar, and workload relationships in major Agency cost centers. This information is used to support budget planning and formulation; to track resource utilization patterns during budget execution; to analyze productivity trends; and to identify out-of-line situations.

The ability to examine the impact of actual or anticipated changes in resource/workload relationships provides VA management with a powerful tool for resource planning and management. The continued enhancement of PRISM's capabilities, data display techniques, and associated computer applications contributed significantly to these accomplishments. PRISM also provided data for the development of "Station Profiles" containing summary cost center data and station cost and productivity rankings for individual VA medical center and regional office facilities furnished to the Administrator in connection with his station visits.

Resource Planning Service also administers the Agency's participation in the Federal Productivity Measurement Project, a Governmentwide productivity measurement system administered by the Bureau of Labor Statistics and the Office of Management and Budget. Drawing upon its manpower and industrial engineering expertise, the Service is also called upon to provide assistance to Agency organizations in management engineering, organization alignment, staff utilization, performance measurement systems, and OMB Circular A-76 cost validations.

Board of Veterans Appeals

A claimant for VA benefits who is not satisfied with the determination made by a VA field office may file a written notice of disagreement. If, after reviewing the case in light of the claimant's disagreement, the field office is not able to grant the benefits sought, it sends the appellant a statement of the case. This statement outlines the issue, the evidence of record, the pertinent laws and regulations, and the reason for the decision. If the appellant, after reading the statement of the case, still disagrees with the field office, he or she may submit an appeal to the Board of Veterans Appeals (BVA). The field office

will again review the case, and if they are still unable to resolve the appeal to the satisfaction of the claimant, the field office will certify the case to the BVA for review and final decision.

The BVA organization is headed by a Chairman, a Vice Chairman, and two Deputy Vice Chairmen. The principal productive unit of the BVA is the Board Section, which is organizationally situated within the Board's Professional Service. A Board Section is typically composed of three Board Members (two legal members and one medical member), six or seven staff attorneys, and a secretary. An Administrative Service provides support to the BVA's operations by maintaining the docket of appeals, scheduling and arranging hearings, handling miscellaneous correspondence, managing mail and record-keeping activities, transcribing decisions and hearings, and performing a multitude of other general support functions. Completing the BVA's organization is a small management staff organized under the Office of the Chairman that includes decision indexers, editors and research center staff, and medical advisers who are not permanently assigned to any specific Board Section. Total employment at the BVA averaged 423 FTEE during FY 1988. In addition to the 2 Deputy Vice Chairmen, the Board membership composition during FY 1988 included an average of 42 legal and 14 medical members supported by an average of 7 medical advisers.

Timely action on appeals is a major objective of the BVA. To measure how well the objective is being met, the Board employs two separate and distinct indicators. The first of these two indicators is processing time. Processing time is a simple measure of all time that elapses between when an appellant first files a notice of disagreement and when a BVA decision is entered. Included in this time period are various appeals processing stages accomplished at the field station level, as well as procedural steps that are the responsibility of the individual appellant. As a timeliness indicator, processing time is strictly an historical measure that shows the average length of time required to process a given group of appeals from their inception to their completion.

The second indicator used for measuring the Board's timeliness is response time on appeals. Response time is a more future-oriented timeliness indicator, and it is limited in scope to the appeals processing steps that are the responsibility of the BVA. BVA response time on appeals is a reflection of the rate at which the Board is able to decide appeals and the rate at which appeals are being received, as evidenced by the volume of appeals pending before the Board. By taking into account the Board's most recent appeals processing rate and the currently pending volume of appeals before the Board, BVA response time predicts the average time that will be required to render decisions on that same group of pending appeals.

During FY 1988, the BVA produced a total of 41,607 appellate decisions. Overall average processing time on appeals was 419 days at the end of FY 1988, up slightly from 413 days at the end of FY 1987. The average BVA portion of this figure was 136 days. Response time on appeals was 146 days as of the end of FY 1988, which is up from the FY 1987 end-of-year response time of 128 days. This increase in response time is primarily a result of the large number of appeals received at the Board during the fiscal year. The 43,792 appeals during FY 1988 exceeded projections at the beginning of the year.

New appeal filings (notices of disagreement) for FY 1988 totaled 67,089 in comparison to the FY 1987 level of 63,570. This growth appears consistent with the increase in appeal receipts experienced at the BVA. Some comparative workload statistics for FY 1988 appellate activities are provided in the accompanying table.

<i>Appellate Processing</i>	<i>FY 1988</i>	<i>FY 1987</i>
Appeals pending, start of period	61,082	59,999
Undocketed, in field stations ¹	46,625	45,737
Docketed, in BVA	14,457	14,262
Notices of disagreement filed during period ¹	67,089	63,570
Decided by BVA	41,607	41,296
Allowed	5,623	5,270
Remanded	8,047	8,564
Withdrawn	464	568
Denied	27,473	26,894
Appeals pending, end of period	64,800	61,082
Undocketed, in field stations ¹	48,158	46,625
Docketed, in BVA	16,642	14,457
Summary		
Processing Times (calendar days)		
Notice of disagreement to statement of the case	56	54
Statement of the case to substantive appeal	59	57
Substantive appeal to the BVA	168	172
Processing time through the BVA	136	130
TOTAL	419	413

¹ Portions of field appeals workload data estimated.

Interest in formal personal hearings before the Board continued to be high in FY 1988. A total of 1,906 formal hearings were conducted during the past year. Of these, 1,265 were held in Washington, D.C., and the remaining 641 were held before traveling sections of the Board at 52 different field stations. In addition, over 10,000 hearings on appealed cases were held in the field before regional office personnel acting on behalf of the BVA. When a formal hearing is not feasible, an appellant may elect to have an informal hearing entered on his or her behalf. Informal hearings consist of written briefs presented in Washington, D.C., by appellant representatives who most frequently are affiliated with veterans service organizations. A record number of 35,120 informal hearings were entered during FY 1988.

The number of appellants who choose to be represented by veterans service organizations remains at a high lev-

el. Reports indicate that 87.9 percent of the appellants for whom decisions were entered during FY 1988 chose to be represented by one of the accredited service organizations; roughly 1.7 percent elected to be represented by attorneys or agents; and the remaining 10.4 percent pursued their appeals without representation. The proportion of appellants handling their appeals with no representation has declined steadily over the past decade from a high of approximately 20 percent to the current low of approximately 10 percent.

Appellants, veterans service organizations, Members of Congress, and other case advocates continued their high levels of interest in claims for disabilities involving Agent Orange, exposure to ionizing radiation, post-traumatic stress disorder (PTSD), and incarceration as prisoners of war. The Board of Veterans Appeals handles each of these categories of appeals as a specialty area and assigns appeals received in these categories only to Board Sections designated to handle them. The BVA continues to be very active in its liaison with organizations both internal and external to the VA who are involved with research in any of the special category appeal areas. In addition, Board members and key senior attorneys attend conferences and symposiums on Agent Orange and PTSD. This permits the Board to maintain expertise in these sensitive areas and to ensure consistency in the application of laws and regulations.

The Freedom of Information Act (FOIA) requires the Board of Veterans Appeals to produce an index of its final decisions on appeals and to make the decisions available to the public. Developed in compliance with the FOIA, the microfiche BVA Decision Index I-01-1 is produced quarterly with an annual cumulative edition. BVA decisions, stripped of personal identifiers, are microfilmed. Appellants and others interested in decisions of the Board are able to check the Index to locate specific types of cases; copies of the decisions may then be requested. At the end of FY 1988, the BVA Decision Index covered the period of July 1, 1977, through September 30, 1987, and included over 420,000 decisions.

The Board's Research Center also has a basic system of locating reference documents called VADEX/CITATOR. All documents received by the Research Center since January 1980 that are of interest to the Board's professional staff are indexed in Part I of VADEX/CITATOR. Part I includes public laws, VA regulations, VA circulars, VA administrative issues, unpublished and published General Counsel opinions, BVA subject files, Agent Orange and radiation files, and miscellaneous VA and non-VA materials. Part II of VADEX/CITATOR includes chronological histories of hundreds of VA regulations concerning compensation and pension, education, loan guaranty, health care, cemeteries, and waivers and compromises. In conjunction with Part II of VADEX/CITATOR, the Board also preserves the historical text versions of these regulations on updatable microfiche, thus

providing an easy means of researching a regulation back to its origins.

A total of 46 attorneys served as acting Board members at various times during FY 1988, for a total of 4.2 FTEE. Nine physicians served as acting Board members during this same period for a total of 4.3 FTEE. No temporary Board members were used during FY 1988.¹ The procedural controls requiring the Chairman's written quarterly designation of acting Board members remain in effect to ensure adherence to statutory requirements.

Other professional support available within the VA included advisory medical opinions from the Chief Medical Director and legal opinions from the General Counsel. In addition, under the authority of title 38, U.S.C., section 4009, the Board requested 140 opinions from independent medical experts who were not VA employees. The accompanying table shows a breakout of the medical specialties covered by these opinions.

<i>Medical Specialty</i>	<i>Number of Advisory Opinions Requested</i>	
	<i>FY 1988</i>	<i>FY 1987</i>
All Specialties	140	138
Appellate consideration	134	129
Reconsideration	6	9
Internal Medicine		
General	8	4
Cardiovascular	25	25
Gastroenterology	6	9
Pulmonary Diseases	7	5
Surgery		
General	3	1
Orthopedic	13	8
Otolaryngology and		
Ophthalmology	4	13
Psychiatry	23	28
Neurology—medical		
and/or surgical	9	20
Pathology—medical		
and/or surgical	10	1
Other	32	24

Board of Contract Appeals

The Board of Contract Appeals was established by the Administrator of Veterans Affairs under the provisions of the Contract Disputes Act of 1978. The Board is a statutory, quasi-judicial tribunal that hears and decides appeals from decisions of VA contracting officers on claims that relate to contracts awarded by the VA. Its workload is composed principally of appeals relating to construction contracts. Decisions of the Board are final within the Agency, but are subject to review by the United States Court of Appeals for the Federal circuit.

¹ This information is included in compliance with title 38, U.S.C., section 4001(c)(3).

In FY 1988, the Board was composed of six administrative judges and eight legal, administrative, and secretarial support personnel. There were 212 cases added during the fiscal year, and the Board disposed of a record 280 appeals—an increase of 21.7 percent over the number of dispositions in the previous year. At the close of the fiscal year, there were 143 appeals pending, a reduction of 69 appeals or 32.5 percent from FY 1987.

Office of Personnel and Labor Relations

Personnel Management

According to the VA's Mission and Goals statement, the Agency's "People" goal is "to ensure the people of the Veterans Administration receive quality leadership, adequate compensation, decent working conditions, necessary training and education, equal opportunity, and earned recognition." The Office of Personnel and Labor Relations (OP&LR) works to support this goal as well as the goals and objectives developed by the Departments of Medicine and Surgery, Veterans Benefits, and Memorial Affairs. The Office of Personnel Management (OPM) has rated the VA's personnel management program operations as first in overall effectiveness among the 22 largest Federal agencies. OPM found that the VA's personnel staff-to-employee ratio of 1:111 was the best among agencies studied. The VA's cost of providing personnel service of \$243 per employee was less than one-half the Governmentwide average.

OP&LR, in cooperation with the Department of Medicine and Surgery (DM&S), continued efforts to develop policies and procedures to ensure that only well-qualified and suitable health care professionals are employed by the VA. During FY 1988, revised standards for the employment and advancement of physicians, dentists, and other health care personnel were published. These standards help ensure that such personnel have the credentials and qualifications needed to provide quality health care to our Nation's veterans.

OP&LR provided direct training to 950 employees. This included executive seminars and courses for personnel specialists. The primary executive development effort was Leadership VA, a 4-week program for 60 competitively selected mid-level employees. OP&LR also coordinated the Agency's SES candidate development program.

OP&LR conducted an Agencywide survey to identify the training needs of supervisors, managers, and executives. The results are being used to plan training programs for FY 1989 and beyond.

During FY 1988, 17 different unions represented approximately 165,000 VA employees. In addition to individual locality recognitions, the four largest unions also have consolidated their activities into "national-level" bargain-

ing units. By law, these four unions have collective bargaining rights over national-level Agency policies and issues of Agencywide concern. They continue to be especially active in the areas of ensuring safe working conditions, monitoring Agency plans to implement a drug-free workplace, and monitoring the staffing and retention of nurses.

OP&LR completed Federal Wage System surveys in 25 areas and issued pay schedules applying to Federal Wage System employees in those areas.

OP&LR conducted personnel management evaluation reviews at 36 VA field facilities. All major personnel management programs were reviewed during site visits to ensure general program effectiveness. Special emphasis was placed on the administration of the workers' compensation program for job-related injuries and illnesses and the unemployment compensation program.

Staffing

During FY 1988, OP&LR intensified the VA's national recruitment program activities. These efforts focused on filling vacancies in shortage-category occupations vital to the Agency's medical care programs such as nurses, pharmacists, and physical therapists. This included expanding the number of national conventions and job fairs as well as State and local recruitment events attended by Agency staff to reach prospective employees. For the first time at these events, video presentations were regularly featured as part of the exhibits used. Additionally, the frequency of advertising in major professional journals and career guides was increased. To help personnel specialists at VA field facilities become more effective recruiters, OP&LR staff developed and presented the course "Techniques for Staffing Hard-to-Fill Positions." The course was well-received and will be expanded for presentation in mid-FY 1989.

OP&LR continued to operate a Delegated Examining Unit, located in Richmond, Virginia, to expedite filling vacancies nationwide in an expanding number of health care occupations. Applicants from across the Nation may contact the Unit on a toll-free telephone number. The Unit then refers lists of eligible candidates to requesting facilities.

In its continuing effort to compile information assessing recruitment and retention trends in selected health care occupations, OP&LR conducted a second Survey of Health Occupational Staff. This survey, covering FY 1987, generated comprehensive data on local staffing conditions at VA medical centers and outpatient clinics. Agency officials are using this information in responding to DM&S's health care personnel needs. A similar survey will be conducted to collect data on VA's FY 1988 staffing experience.

As an integral part of its efforts to maintain adequate staffing, the VA continued to make use of a wide range

of authorities to establish competitive salary rates for health care and other key occupations. In FY 1988, 543 new or increased special salary rates were authorized for DM&S employees in health care and police officer occupations. Most prominent among these occupations were registered nurses (22 new and 100 increased authorizations); pharmacists (41 new, 50 increased); and licensed practical/vocational nurses (29 new, 36 increased). In addition, the use of the "Baylor Plan", under which a nurse receives full-time pay for working two 12-hour tours of duty on the weekend, was authorized at three medical centers.

Employment of Veterans

The VA has consistently been one of the major Federal employers of veterans. In FY 1988 a total of 9,351 veterans, representing 16.3 percent of all newly hired personnel, was added to the VA rolls. As of September 30, 1988, 29 percent of the VA's work force were veterans, and 5 percent were disabled veterans. Nineteen percent of the VA work force were Vietnam era veterans, and 18 percent of these veterans were disabled. Sixty-seven percent of the male and female veteran employees served during the Vietnam era. At the end of FY 1988, the VA employed 7,788 female veterans and other females with veteran preference. The Agency is a leader among Federal agencies in employment of women with military experience.

The VA has made extensive use of the Veterans Readjustment Appointment (VRA) authority to recruit and train eligible Vietnam era veterans to meet a broad range of the Agency's staffing needs. The VA continues to be a leader among Federal agencies in the use of this authority; during FY 1988, a total of 3,147 individuals were hired.

During FY 1988, the VA hired 610 veterans under an authority which permits Federal agencies to noncompetitively appoint veterans with service-connected disabilities of 30 percent or more to positions for which they qualify.

Employee Recognition

The VA continues to have an active incentive awards program, through which employees are recognized for their superior performance, special contributions, and innovation.

During FY 1988, a new Agency awards program was established to recognize achievements in the area of equal employment opportunity. The Administrator's Equal Employment Opportunity Awards Program has four categories designed to recognize contributions made by nonsupervisory employees; supervisors and managers through GM-14 and equivalent; managers and executives, GM-15 and above; and EEO program representatives.

The annual Administrator's Hands and Heart Award honors DM&S employees who provide direct patient care in an exceptional and compassionate manner. Each medical facility nominated a deserving employee to receive this honor.

The high-level performance of VA employees was rewarded with 42,233 performance awards (SES-123; PMRS-3,138; and PMS-38,972). An additional 2,810 employees who received "outstanding" ratings were granted quality step increases. The Agency also granted 16,632 special contribution awards, recognizing 25,614 employees who, either individually or as a group, contributed to improved operations. A total of \$5.5 million was paid for special contribution awards in FY 1988.

Office of Equal Opportunity

During FY 1988, a new Director was appointed for the Office of Equal Opportunity (OEO), and an internal reorganization of the Office was initiated. An intensive review of all existing procedures and program initiatives was undertaken to ensure that the Office was effectively providing quality support to VA offices and departments in meeting their equal employment opportunity (EEO) responsibilities.

OEO implemented several initiatives which had a significant impact on the processing of EEO complaints and improved the status of minorities, women, and persons with disabilities in the workforce. All major workload productivity indicators, such as discrimination complaints closed, affirmative action plans reviewed, and formal training sessions conducted, were up in FY 1988. Additionally, the percentage of minority employment in the VA workforce increased as a result of the implementation of effective EEO programs. Aggressive and innovative use of EEO and affirmative employment programs coupled with sound management practices have enabled the VA to maintain a positive image as an equal opportunity employer. Overall, the Veterans Administration's employment of women, minorities, and handicapped persons exceeds or compares very favorably with that of other Federal agencies. The VA's discrimination complaint rate of 2.4 complaints per 1,000 employees is significantly below the Governmentwide average of 3.5 complaints per 1,000 employees.

Affirmative Employment Service

Despite a decline in the VA's total workforce, the VA remained among the top of large Federal agencies in the employment of minorities and the disabled:

- Representation of women increased to 54.8 percent, compared to 42.5 percent in the civilian labor force.
- Important gains have been made by women at higher grade levels and in key occupations. Specifically, statistics show that women account for 28.7 percent in grades GS-12 and above, and 9.7

percent in SES positions. To further enhance developmental opportunities, one of the VA's executive development programs, Leadership VA, included 36.6 percent women in FY 1988. In addition, women account for 58 percent of all participants in centrally-funded upward mobility programs.

- All minorities showed significant gains in a number of employment categories. Presently the VA's representation of minorities (33.6 percent) far exceeds their representation in the civilian labor force (18.4 percent).
- Although there continues to be a need for greater Hispanic employment in the VA, FY 1988 efforts resulted in an increase in Hispanic representation from 4.56 percent (9,594) to 4.79 percent (10,017).
- Representation of employees with targeted (severe) disabilities remained steady at 1.68 percent, which is above the Governmentwide figure of 1.2 percent.
- The VA hired 1,701 veterans with service-connected disabilities in FY 1988. Of these, 610 were hired using the noncompetitive appointment authority for veterans with service-connected conditions rated 30 percent or more.

The Administrator's EEO Awards Program was established in FY 1988. This is the first prestigious Agency-wide EEO Award developed in the VA.

Affirmative Employment Service also developed and distributed comprehensive guidance and instructions on the preparation and submission of all EEO/Affirmative Action plans and reports of accomplishments for the following programs: the Affirmative Employment Program for Handicapped Individuals; the Disabled Veterans Affirmative Action Program; the Program for the Prevention of Sexual Harassment; the Affirmative Employment Program for Minorities and Women; and the Federal Equal Opportunity Recruitment Program.

A new policy statement on the prevention of sexual harassment was developed and distributed in FY 1988.

A revised quarterly newsletter was published to promote better communication between VACO and field facilities. The *EEO Update* provides information about EEO issues, and highlights EEO accomplishments throughout the VA. Distribution was significantly increased to reach more managers and supervisors.

Affirmative Employment Service issued new guidance to bring about accessibility to all buildings used by patients, employees, and visitors. Since 1980, the Agency has spent over \$36 million to make this possible. In FY 1988, additional monies were approved for barrier removal projects. Further, the Administrator required that

all field stations conduct a survey of their facilities, and develop a plan to correct any identified deficiencies. These plans will be reviewed by the OEO.

Sixteen training sessions and presentations were conducted. These included sessions for supervisors and managers, union representatives, EEO specialists, personnel officers, Federal Women's Program Managers, Hispanic Employment Program Managers, and employees holding EEO collateral duty assignments. With the recent reorganization of OEO, regularly scheduled training programs are planned for EEO investigators, counselors, and counselor facilitators throughout the VA.

Other successful training efforts included:

- Development of an EEO training module for supervisors and managers, in collaboration with the Office of Personnel and Labor Relations;
- Agencywide distribution of a newly proposed module on the role and responsibilities of the Handicapped Individuals Program Manager; and
- Procurement of the highly regarded training module on employment of persons with handicaps, entitled "WINDMILLS", for FY 1989.

In response to an Executive order to strengthen ties with America's Historically Black Colleges and Universities (HBCU's), OEO developed the HBCU Report of Performance for FY 1987 and the HBCU plan for FY 1989. An issue of the VA Newsletter, "From the Administrator", was also dedicated to the HBCU Program. For these efforts, the White House Initiatives Staff commended the VA for its support.

The Service provided central policy direction and oversight for the VA Civil Rights Enforcement Program. This included (1) development and coordination of policies, regulations, and procedures to ensure nondiscrimination in programs or activities receiving Federal financial assistance from the VA, and (2) monitoring the VA's compliance and enforcement activities.

Outreach efforts and community involvement continued throughout FY 1988. The OEO provided speakers or participated in workshop activities at 10 major conferences and conventions throughout the year in various parts of the Nation.

Discrimination Complaints Service

In FY 1988, the Discrimination Complaints Service concentrated on:

- Complaints filed directly with the Administrator and VA Central Office;
- Monitoring and tracking of complaints at all stages of the process to ensure expeditious processing;
- Acceptance of VA Central Office complaints;

- Assignment of EEO investigators and technical review of the resulting reports of investigation; and
- Providing technical assistance and monitoring of field stations and EEO principals at any stage of the complaints process.

There was a substantial increase in complaint activity starting with FY 1987, in which 847 complaints were received. However, there has been a steady reduction of cases pending since FY 1983, with significant reductions in FY 1987 (19 percent) and FY 1988 (18 percent).

While there was an increase in the number of complaints filed, the inventory of complaints was reduced. A substantial increase was achieved in the number of complaints resolved at earlier stages. In FY 1988, efforts were directed at establishing a High Resolution Potential Program. This program's objective is to reduce the cost of processing complaints by reviewing complaints with minimal resolution costs and offering the facility or complainant alternate remedies.

High priority was also placed on improving the timeliness of complaint processing, as shown in the table below. Significant reductions in processing time have been achieved.

**Average Processing Time by Complaint Stage
as of September 30, 1988**

Average Days from Date Filed to:	For Complaints Filed During:		
	FY 1986	FY 1987	FY 1988
Date Complaint Accepted	144	98	60
Date Investigator Assigned	261	149	96
Date Investigation Completed	367	233	146
Date to EEOC for Hearing	438	285	172
Date to OGC for Merit Decision	489	305	172
Date Closed	399	265	132

Office of the Associate Deputy Administrator for Congressional and Intergovernmental Affairs

In FY 1988, the Office of the Associate Deputy Administrator for Congressional and Intergovernmental Affairs supported the VA's mission through active liaison between VA program officials, Members of Congress, congressional committees and their staffs, the White House, Federal, State, and local government officials, and key State associations.

The Office consists of three units—the Office of the Associate Deputy Administrator, Office of Congressional Affairs, and Office of Intergovernmental Affairs.

The Associate Deputy Administrator (ADA) serves in the capacity as the principal advisor to the Administrator,

Deputy Administrator, and the Chief of Staff concerning all program, policy, and legislative matters involving Congress and intergovernmental affairs organizations. The ADA is also responsible for executive direction to the subordinate Congressional Affairs Office and Intergovernmental Affairs Office, and sets guidelines and program policy.

The Office of Congressional Affairs (OCA) serves as the Agency's principal representative to the Congress on VA and administration policies and legislative issues. Additionally, OCA provides a unique service to Members of Congress and their veteran constituents. Two offices, located in the Hart Senate Office Building and the Rayburn House Office Building on Capitol Hill, are responsible for providing immediate responses to inquiries from Members of Congress.

During FY 1988, the Office of Congressional Affairs achieved significant accomplishments and interoffice improvements. FY 1988 was a particularly active legislative year. OCA was intensely involved with the Cabinet-level and judicial review legislation, along with eight other pieces of major legislation, and proved instrumental in maintaining a solid line of communication throughout the process of enacting these legislative items into law.

Interoffice improvements included integrating the House and Senate Congressional Liaison Service staffs with the Agency office automation system, and providing word processing to all employees in remote locations. Those offices also have benefits delivery system access from their offices through the Washington, D.C., VA Regional Office.

The House and Senate Congressional Liaison Services provided approximately 158,000 written and telephonic responses to constituent inquiries in FY 1988.

The Office of Intergovernmental Affairs (IGA) serves as the principal Central Office point-of-contact and liaison with Federal, State, and local government officials on intergovernmental affairs issues within the VA.

A reorganization, initiated in February 1988, reassigned the Office of Intergovernmental Affairs under the executive direction of the ADA for Congressional and Intergovernmental Affairs.

During FY 1988, the Office of Intergovernmental Affairs focused on increased positive communications and cooperative relationships with State legislators, Governors, Governors' representatives, and other State veterans officials. This was accomplished through IGA presentations and exhibits at conferences of the National Governors Association, the American Legislative Exchange Council, the National Association of State Directors of Veterans Affairs, the National Conference of State Legislatures, and the National Association of State Veterans Home Administrators. These proactive activities greatly facilitated improved relations with the States and

provided a better understanding of the Agency's mission and its diverse programs.

In addition to the above noted presentations, two major intergovernmental outreach initiatives in FY 1988 supported the recognition of State and VA joint contributions to veterans: the development by the Office of Intergovernmental Affairs of a successful new VA video on the State veterans home program, entitled "A Valuable Resource"; and the VA celebration ceremony for the 100th Anniversary of the State Veterans Home Program.

VA Intergovernmental Affairs' outreach was further supported and highlighted by the Administrator's presentation at the White House State Legislators' Annual Presidential and Cabinet briefing, and by scheduled presentations and meetings to State legislatures at various State Capitols during FY 1988.

IGA continues to maintain a strong communication link with Federal, State, and local governments and officials through transmitting pertinent information on VA programs and policies, as well as participating in meetings and conferences with these officials.

During FY 1988, the Office coordinated more than 4,000 Presidential birthday greetings to VA medical center patients who were 80 years of age or older. IGA also assisted the White House in the preparation of more than 200 special Presidential messages to national and State veterans organizations, VA facilities, and State veterans events. The Office also coordinated the successful nationwide VA facility participation in the Governmentwide Presidential and Private Sector Initiative Program entitled "Operation Care and Share."

Office of the Associate Deputy Administrator for Public Affairs

In FY 1988, the primary mission of the Office of Public Affairs (OPA) was to support the delivery of VA benefits and health care through information programs aimed at veterans, dependents, veterans organizations, the general public, and employees. OPA directed programs at the mass and specialty media, produced internal publications, responded to consumer concerns of veterans and dependents, and supported the VA's 35 Federal advisory committees.

A major component of OPA activity centers on producing materials and servicing information requests for news media organizations. This essential public communications link was marked throughout the year by intense interest in moves to elevate the VA to Cabinet rank.

In effect, many VA programs and services were "rediscovered" by the news media resulting in a new wave of articles, features, editorials, and broadcast news coverage about Agency activities. News media interest also surrounded several other major veterans affairs develop-

ments including judicial review, veteran status for World War II Merchant Marines, enrollment of the 20 millionth GI Bill participant, and developments in Agent Orange-related research.

The Office completed a year-long project to update Agencywide public affairs policy, the first such revision in 14 years.

Communications support was also provided as a component of several national recognition events including Veterans Day, the annual National Salute to Hospitalized Veterans, POW-MIA Day, and National Consumers Week.

The *Vanguard*—the bimonthly employee publication—remains the primary activity for reaching the entire VA "family" with regular news and features emphasizing individual and organizational contributions to the Agency mission.

Two Administrator's newsletters—*From the Administrator* and *Executive Notes*—continued to provide senior Agency officials with a broader and clearer understanding of Agency positions and policies. Television also came into use as an internal means of communication with the production of *The VA Report*.

The annual publication *Federal Benefits for Veterans and Dependents*, the Agency's basic booklet on benefits, was distributed to VA and non-VA veteran counselors during FY 1988.

A new publication, *Strictly Speaking*, was begun. The publication provides excerpts from recent speeches, presentations, interviews, and congressional testimony of VA officials.

OPA conducted a "VA Public Affairs Excellence" training event in Denver, Colorado, for public affairs officers from VA field facilities nationwide. With the support of the Department of Medicine and Surgery (DM&S) Regions IV and VI, the Consumer Affairs and Internal Communications Service conducted two 3-day training conferences for patient representatives and consumer affairs personnel.

Regional OPA offices arranged for editorial board meetings for the Administrator and the Deputy Administrator with major newspapers nationwide, and had over 2,000 individual informational exchanges with the media.

OPA coordinated a Presidential bill-signing ceremony elevating the VA to a Cabinet Department. The Office also prepared more than 100 speeches for the Administrator, Deputy Administrator, and other top Agency officials. In addition, OPA prepared public service announcements and Presidential messages for special events.

The Office increased its capacity to use modern technological support to obtain and reproduce news media ac-

counts and summaries. Based upon OPA's information systems strategy, full implementation into VA's nationwide network for office automation was successfully achieved. These management improvements enabled the VA to give expedited attention to significant public interest in a variety of activities involving veterans affairs nationwide.

Office of the Associate Deputy Administrator for Management

The Associate Deputy Administrator (ADA) for Management serves as the principal advisor to the Administrator for planning and policy development associated with Agency management and productivity improvement, information resources management, major systems acquisitions, automated data processing (ADP), telecommunications, internal controls, paperwork reduction, program evaluations, and statistical data collection and analyses. Additionally, the ADA provides leadership, direction, coordination, and control which ensures the effective management of resources supporting all departmental and staff elements of the Veterans Administration. The Office of the ADA for Management develops programs, formulates budgets, and allocates resources based upon strategic planning guidance for accomplishing Agency goals. The Offices of Information Systems and Telecommunications; Program Analysis and Evaluation; Information Management and Statistics; and Systems Planning, Policy, and Acquisition Control report to the ADA for Management.

In FY 1988 the ADA served as the Agency representative on the President's Council on Management Improvement and other senior-level policy groups established to address Governmentwide management improvement initiatives. The ADA also served as a member of the Interagency Committee on Federal Information Resources Management, the Federal Communication Board, and the Federal Information Resource Management Regulation (FIRMR) Interagency Advisory Council.

During FY 1988, the ADA continued to serve as the Chairperson of the VA's Systems Integration Review Board (SIRB) which was established by the Administrator of Veterans Affairs to oversee the development of a fully integrated Agency information system. One of the major issues discussed by the SIRB during FY 1988 was contingency planning at the data processing centers. The Office of the ADA began design and implementation of the Management and Decision Support System (MADSS), an Agencywide executive and management information system, and also developed and integrated the Agency triennial plan for information resources management (IRM) that included ADP and telecommunications initiatives.

The Office of the ADA also planned and coordinated two Agency planning conferences: the Information Systems Planning Conference, which provided a forum for devel-

oping plans for ADP and automated information systems; and the Strategic Planning Conference, where major policy issues were identified and the strategic direction of the Agency was established. The Office continues to administer an Agencywide management system that integrates the management improvement program, the program operating plans, and the Controller's budget plan. Program plans are developed in support of priority areas emphasized by the President and the Administrator of Veterans Affairs.

Office of Systems Planning, Policy, and Acquisition Control

The Office of Systems Planning, Policy, and Acquisition Control (OSPPAC) serves as the Agency focal point for coordination, development, and integration of information systems plans, policies, and standards for electronic systems. OSPPAC is responsible for the review, analysis, and evaluation of ADP information systems to determine effectiveness and efficiency, as well as IRM reviews of acquisition requests Agencywide.

In FY 1988, OSPPAC successfully conducted the second annual Information Systems Planning Conference with six workshops on the following topics: Office Automation, Financial Management System, Management and Decision Support System, LOG I, PAID Redesign, and Systems Interconnectivity/Interoperability. These workshops provided a forum for interactive sessions where issues were discussed, conclusions were drawn, and recommendations were gathered for use in improving existing and future automated information systems.

The VA Information Systems Plan for 1987-1993 was published and distributed to all VA departments and staff offices during the third quarter, FY 1988. The plan integrates the automation efforts of each Agency organization into a single Agency plan. It serves as the Agency's vehicle for implementing a primary VA management goal to integrate technological advances and innovative management techniques into an efficient system for providing quality care and benefits to veterans and their dependents.

OSPPAC developed and issued the "Guide to the VA Information Resources Acquisition Approval Process" to all VA departments and staff offices in the fourth quarter of FY 1988. The Guide clearly defines the justification required for different types of IRM acquisitions and the VA organizations that will participate in the review process for acquisitions. In addition, strict timeframes were defined for each stage of processing IRM acquisition requests. OSPPAC is responsible for conducting IRM acquisition approval reviews and ensuring adherence to the established approval timeframes. These procedures have reduced the time required to approve information resources acquisitions.

OSPPAC assembled an interorganizational acquisition team to conduct the recompetition of an Agencywide of-

fice automation contract. The undertaking was named Project NOAVA (Nationwide Office Automation for the Veterans Administration). The existing Agencywide office automation contract offers an acquisition vehicle for office automation hardware and software through December 1989. The recompetition effort will provide a replacement acquisition vehicle for the 1990s.

During FY 1988, OSPPAC developed a framework for the integration of ADP systems in the VA and worked with departments and staff offices to achieve system integration. A Special Interest Users Group (SIUG) for Systems Interconnectivity/Interoperability was organized, and the SIUG met regularly under the direction of OSP-PAC.

An interagency agreement was established with the National Institute of Standards and Technology. This project will foster interoperability of information systems in the VA by developing requirements, plans, and pilot tests to implement Federal ADP and telecommunications standards. The agreement is available for Agencywide use.

OSPPAC led the Standard Federal Personnel/Payroll System Project, a multi-agency endeavor initiated by the President's Council on Management Improvement. The project produced a Model Personnel/Payroll Requirement that will be issued by the Joint Financial Management Improvement Program as the standard core requirement for Federal personnel/payroll systems. This model will eliminate the Government's burden of initiating, from the ground up, any personnel/payroll system upgrades and gives the agencies the basic requirements that they can add to as their situation demands. The project also validated the direction the VA is taking to upgrade its personnel/payroll system.

Office of Information Systems and Telecommunications

The Office of Information Systems and Telecommunications (OIS&T) provides automated information systems and telecommunications support to VA's departments and staff offices. Support is provided by three data processing centers (DPCs) located in Austin, Texas; Hines, Illinois; and Philadelphia, Pennsylvania; and the VA Cen-

tral Office Data Center and staff elements in Washington, D.C. Services provided include: computer systems analysis, design, and programming; Information Technology Center facilities; computer time-sharing; office automation; maintaining and updating the VA's management and financial control systems; financial and benefit delivery payment processing for VA obligations; equipment, software, and application system installation; customized user training; and telecommunications facilities for rapid access and movement of data throughout VA.

During FY 1988, OIS&T focused on improving the quality and timeliness of user services, as well as assisting VA organizations in improving their automation efforts.

Service-level agreements have been established for all OIS&T centralized data processing services. All users and DPCs have agreed to standards, performance indicators, and minimum operational performance levels for application systems processed at the Hines, Austin, and Philadelphia facilities.

All Benefits Delivery Network (BDN) equipment in VA Regional Offices (VAROs) has been replaced with new equipment. This joint OIS&T/Department of Veterans Benefits (DVB) effort provided new terminals, printers, and minicomputers, which are more reliable and easier to maintain and operate than their predecessors.

On-line access to benefits delivery data bases is now available to VA medical centers (VAMCs). This upgrade provides VAMCs faster access to benefit entitlement data and thereby improves the quality of the admitting process.

A comprehensive study of electronic printing systems for the three DPCs, the St. Paul Regional Office and Insurance Center, and the VACO Data Center has been completed. The study will provide information required for completing requests for proposals (RFPs) for future acquisition of electronic printing systems at those facilities.

A workload analysis of the Austin DPC was prepared in conjunction with the Federal Computer Performance Evaluation and Simulation Center and the user community. The study has produced key volume indicators and

Management Efficiency Pilot Program

The Austin DPC was chosen as a Management Efficiency Pilot Program (MEPP) site (one of 11 sites in VA) at the beginning of FY 1988. The major goal of MEPP is to provide maximum participation by all employees in identifying opportunities to improve the efficiency, effectiveness, productivity, and quality of products and services. Some of the major benefits and improvements that the Austin DPC has realized as a direct result of MEPP include: approval to establish a local contracting activity; approval of regulatory and procedural waivers which create a positive impact in personnel recruitment and classification actions; and initiation of a special MEPP Impact Award Program which gave employees an incentive to participate in the MEPP program by making suggestions to improve methods and programs. During the first 9 months of the program, 293 suggestions for improvements were submitted, compared to 37 suggestions submitted for all of FY 1987. The DPC realized tangible savings of \$136,394, and intangible savings of \$38,091 on the suggestions that were completed and implemented.

current resource usage for all current applications, as well as a basis for justifying future increases based on user estimates of system changes.

The Hines DPC implemented the Most Efficient Organization developed as a result of the study required by OMB Circular A-76. The DPC consolidated functions from three divisions to achieve the best use of human resources available, while reducing overall staffing by 57 FTEE, without any adverse impact on employees. As a result, the DPC's productivity increased 54 percent with reduced staffing.

The VA, through the Small Business Administration, awarded contracts for ADP technical support services to six minority business firms. OIS&T initiated efforts to provide ADP technical support contracts which would provide a readily available source for ADP technical services such as systems analysis, programming, acquisition documentation support, and related functions. The six contractors were selected after competition among a large group of highly recommended minority business firms. Each contractor selected has sufficient resources to do most of the expected work; however, they are also free to subcontract with other firms to obtain any necessary expertise. These contracts are expected to be of significant value to VA offices, and will also help the minority business firms grow and prepare for future business.

As part of VA's program to ensure the continuity of ADP support for Agency programs, the Contingency Planning Special Interest Users Group (SIUG) was formed to develop contingency plans for all OIS&T data processing facilities. An Agency approach for providing backup ADP services was developed by representatives from organizations using the OIS&T facilities. Users identified critical systems and the cost associated with incapacitation of those systems. Alternatives for providing continued processing support were examined by the Contingency Planning SIUG which presented recommendations to the Systems Integration Review Board. The most cost-effective alternatives were recommended to the Administrator. Funds to support contingency planning have been requested in the FY 1990 budget submission.

FY 1988 was a very productive year for the VA Data Transmission System (VADATS) network and the VADATS user community. The telecommunications utility

experienced a character volume transmission increase from 4.1 billion to over 7.2 billion characters per month. The VADATS network now has 450 facility nodes and supports all VA standard network protocols. Department of Memorial Affairs (DMA) and Inspector General sites are now being provided with access to the network. Software has been written to produce customized reports which provide monthly network utilization information to the Departments of Medicine and Surgery, Veterans Benefits, and Memorial Affairs; the Washington Information Service Center; and the Boston Development Center.

OIS&T provided direct technical assistance in the award of contracts exceeding \$45.2 million. These funds were expended in support of telephone replacements or upgrades at 20 VAMCs and outpatient clinics; automatic call distributors at 12 VAROs; and nurse call systems, microwave relay equipment, radio-paging systems, and surveillance TV systems for security and patient safety at 66 VAMCs or outpatient clinics. Drawing upon the skills of approximately 25 communications specialists, site visits were conducted to determine station requirements; develop the technical specifications for inclusion in an RFP or Technical Purchase Description (TPD); evaluate vendor proposals; serve as contracting officer technical representatives for all procurements; and test the equipment prior to acceptance.

Technical support was provided for competition of a contract for total replacement of the VA's Nationwide Teleconferencing System (VANTS). This support included development of technical specifications, evaluation of proposals, and coordination with the primary Agency users (DM&S and DVB) and contracting officer. An award was made in October 1988.

A joint VA/Office of Personnel Management video production highlighting computer access accommodations for handicapped employees was produced to support Federal affirmative hiring and promotion policies for handicapped people. The tape focuses on the increasing use of automation in the work place. The video tape was released to VA field facilities in January 1988, and will be used to encourage Federal managers to hire and promote disabled veterans and other handicapped individuals in jobs where technology can accommodate their special employment needs.

Automated Monument Application System

System software enhancements to DMA's Automated Monument Application System (AMAS) made a significant contribution to DMA's productivity and benefits delivery during FY 1988. Enhancements included testing and installation of software on the upgraded Honeywell central processing unit, and modification of AMAS on-line software to incorporate the use of function keys in order to significantly improve user screen manipulation. Revision of AMAS name search logic increased the accuracy of search activities, reduced on-line search times by 300 percent, and reduced a daily batch program execution time from 7 hours to 40 minutes. The accomplishment of the AMAS database restructure resulted in a direct savings to the VA of \$158,000.

The Information Technology Center completed a study, conducted with the assistance of the Department of Medicine and Surgery's Blind Rehabilitation Program staff, of voice recognition technology which provides an alternative to traditional keyboard methods for entering data and commands into a computer. The study, which focused on the role that these systems could play in accommodating the computer access needs of disabled veterans, found that these systems could be used in lieu of a keyboard to operate a microcomputer and perform meaningful tasks using office automation and productivity improvement tools. Where access to a keyboard is severely restricted by a person's handicap and the cost and set-up time is justified, these systems are a viable alternative to less effective or less natural ways of controlling computer inputs.

The Interoperability Center, which opened in April 1988, provides VA Central Office managers with an environment for testing interconnectivity among the various program management and office automation systems used in the VA, and for finding the most cost-effective way to enhance and use the existing inventory of office automation hardware and software.

Computer processing support for VA's Forms and Publications Depot was significantly enhanced in FY 1988. Three major ADP efforts were completed, including automation of VA's publications tracking and ordering; expansion of on-line access by the depot staff to provide information on Agency publications; and the elimination of card input to the LOG I system through the FALCON data entry facility. The FALCON effort projected a savings of \$12,000 a year in contracted keypunch support. A fourth initiative, implemented in FY 1988, with projected completion in FY 1989, will permit direct transmission of forms and publications reports from the LOG I system. Computer hardware was installed in the depot to support the transmission of these reports.

Two projects providing on-line access to five LOG I files were completed during FY 1988. The first project supports on-line query, by stock control staffs at the three supply depots, into the depot inventory master records and the depots' due-in and due-out records. The second query project specifically supports the Hines Catalog Division staff by providing on-line access to the Master General (MG) catalog records and the Expanded Description records of the MG catalog records.

The Austin DPC has developed a bar-coded asset tracking system for non-expendable equipment which extracts a facility's equipment data from the mainframe LOG I system and downloads that information to a diskette. The data are uploaded to a personal computer (PC) allowing use of the system with minimal personnel. Bar-coded equipment labels are generated using the PC files and are affixed to the equipment. At the time of inventory, those labels are scanned by laser scanners and portable data terminals. A bar-coded tracking and inventory

system saves a considerable amount of time. For example, an inventory which previously required 3 days was conducted in 3 hours.

Agency financial management systems were improved in FY 1988 through installation of the Standard General Ledger system which generates an Agency Trial Balance using Governmentwide Standard General Ledger Accounts. The Decentralized Hospital Computer Program (DHCP) Integrated Funds Distribution, Control Point Activity, Accounting Procurement (IFCAP) Subsystem, which automates the handling of purchase order/receiving report documents at selected VA medical facilities, was electronically linked to the Computer Assisted Payment Processing System (CAPPS). CAPPS, maintained at the Austin DPC, was modified to process receiving report data in batch mode. The electronic link of the DHCP IFCAP system with CAPPS and the addition of batch processing of receiving reports eliminated key entry of receiving report data at facilities using the DHCP IFCAP system. This effort completed one major element of the VA Controller's Paperless Project.

CAPPS was modified to receive invoices in a standard format called Electronic Data Interchange (EDI). The VA Finance Center handles over 3.5 million invoices annually, with format and content differing from company to company or agency to agency. A common language, EDI, established a standard of electronic document transmission for communication of business forms such as purchase orders, invoices, order acknowledgments, and shipment notices. Paperless billing automates both accounts payable and accounts receivable, resulting in labor savings, improved cash flow, cost reduction, elimination of rekeying data, and better service to the customer. Paperless billing is a major element of the VA Controller's Paperless Project.

The Personnel and Accounting Integrated Data System (PAID) was modified to allow employees under the Federal Employees Retirement System (FERS) to invest in the Common Stock Index Investment Fund, one of three Thrift Savings Plan funds. The investments will be in all the stocks in a stock index, such as the Standard and Poor's 500. This fund is more diverse and carries more risk than the Government Securities Investment Fund, but has the potential for earning higher rates of return on investment.

Programming and installation of changes for the Thrift Savings Plan (TSP) loan program were accomplished as another step in compliance with implementation of the Federal Employees' Retirement Act of 1986. The effort permits establishment and maintenance of a loan participant through personnel transactions; automatic deduction of loan payments from an employee's net pay and transmittal by electronic funds transfer to the National Finance Center; reporting of each biweekly deduction to the participant on the earnings and leave statement; reporting of TSP loan amounts in the payroll Record of

Salary Payments, and proper posting of the biweekly totals of loan amounts for accounting purposes.

The Lockbox Funding Fee System (LFF) maintained at the Austin DPC was modified to receive transmissions from the Philadelphia DPC. This system records funding fee payments (1 percent of the amount of home loans guaranteed by the VA) formerly made to a lockbox maintained by the Citizens and Southern Bank in Atlanta, Georgia. The lockbox was moved to the Philadelphia Regional Office when the bank did not meet the terms of its agreement with the VA. In May 1988, an Automated Clearing House was established at Mellon Bank in Pittsburgh, Pennsylvania, with transmissions to LFF. Installation of the Automated Clearing House gives lenders the capability to make funding fee payments by electronic funds transfer.

The Automated Allotment Control System (AACS) is used by the DM&S Resource Management Office to prepare target allowances and allotments to fund the activities of all VAMCs. A program was developed to process AACS transactions transmitted from the San Francisco Information Systems Center (ISC). Quarterly transactions are received to adjust the needs/excess amounts and to process mass adjustments to station accounts such as FERS, FICA, and TSP. Transmission and processing of these transactions eliminates the need for mailing tapes and the associated delay, and provides the means to create special reports and extract files to assist DM&S in responding to General Accounting Office (GAO) requests.

Office of Information Management and Statistics

The Office of Information Management and Statistics (OIM&S) is the information management and statistical research branch of the VA. The Office provides statistical data and analyses to VA management for budgeting, program management, and policy formulation, and coordinates the Agency's internal, interagency, and public use reporting needs. OIM&S is also responsible for VA-wide information resources management policy, paperwork management, records management, forms and correspondence management policy, and mail and travel policy.

During FY 1988, work was begun in OIM&S on the design and implementation of the Management and Decision Support System (MADSS), the VA's executive and management information system of the future. A MADSS Project Director was appointed and an organization established to oversee and coordinate all aspects of this project which affects the entire Agency.

The Statistical Policy and Research Service provides estimates and projections of the veteran population, including socioeconomic data on veterans' needs and re-

sources. Staff members analyze mortality levels, lengths of patient stay, and results of health care treatment, using data from various reporting systems. They also conduct special and recurring studies to measure the impact of specific benefit programs. The service also provides statistical consultation to VA managers in the analysis of program data and in the development of statistical research studies.

The Reporting Policy and Review Service formulates standards and policies for operating the VA's integrated reporting system, and reviews and controls all proposals to obtain VA, interagency, or public use reports. The staff also has responsibility for the Automated Management Information System (AMIS), preparation and distribution of various Agency-level reports, improved reports management as required by the Paperwork Reduction Act, and Agency IRM policy and review.

The Paperwork Management and Regulations Service formulates and recommends Agency policies and plans for the creation, maintenance, use, preservation, and disposition of records. Specific program areas include the management of records, directives, forms, correspondence, mail, and micrographics. Other responsibilities include the administration of the Privacy Act, the Freedom of Information Act, computer matching programs, the Information Collection Budget, and Agency travel policy.

Statistical Policy and Research

Estimates of the number of veterans living in the United States and Puerto Rico, by age, sex, and period of service, were developed for March 31 and September 30, 1988. The March estimates contained further detail by county, primary service area, medical district, and congressional district. The population estimates, used widely throughout the VA, were quickly disseminated in several electronically-compatible formats using the VACO office automation system and microcomputer diskettes.

Demographic and statistical consultation for departments and staff offices continued to be a major accomplishment of OIM&S. One task in this area was providing estimates of veteran population and deaths to DMA's Cemetery Service for four proposed primary and secondary service locations. A detailed analysis of peak workload projections by bed section and facility type was prepared for DM&S.

As part of the VA's strategic planning initiative, a series of veteran population projections were developed for DM&S using several assumptions of veteran mortality. DM&S was also provided projections of the veteran population classified by eligibility for VA health care, as defined in Public Law 99-272, for the years 1990 and 1995. In addition, long-range county veteran population and death information were produced for DMA on microcomputer diskettes.

During FY 1988, the VA was engaged in three major nationwide surveys of the veteran population. Interviewing for the 1987 Survey of Veterans (SOV III), a representative study of all veterans, was completed early in the year. The responses of the 9,400 veterans who participated in this study were analyzed, and a summary report of the results is expected to be available to the public by early 1989.

Interviewing for the Survey of Disabled Veterans (SDV) and the Survey of VA Medical System Users (SMSU) was begun. The SDV is a study of 10,000 veterans receiving compensation from the VA for service-connected conditions. The SMSU is a study of 3,000 veterans who stayed overnight in a VA hospital during FY 1987. Summary reports based on the data collected in these studies are expected to be completed during FY 1989.

These surveys collect detailed data on both users and nonusers of VA benefits. These data, which are collected in strict confidentiality for any individual veteran, will be valuable in short- and long-term planning for current and future needs as well as in better understanding the dynamics of why veterans use the various programs available to them.

The Office of Personnel and Labor Relations was provided statistical and computer support for the Survey of Health Occupational Staff. This survey was conducted to assess nationwide VA staffing situations of selected health care professionals. Data from this survey were used in planning strategies for recruitment and retention.

Statistical and computer support was provided to DM&S for the Former Prisoner of War Statistical Tracking System, a system which evaluates the effectiveness of the ex-POW medical evaluation program. In addition, a data collection instrument was developed for the management and evaluation of the Geriatric Evaluation Unit Program. This is a specialized program in VA hospitals which treats elderly patients utilizing a health care team approach.

Reporting Policy and Review

The Reporting Policy and Review Service serves as the focal point of the VA's Information Resources Management (IRM) program. During FY 1988, the IRM program identified improvements that increased the delivery of services to veterans while ensuring quality care and minimizing costs. The program reported nearly \$200 million in cost-efficiencies, avoidances, and actual savings through the conduct of IRM-related reviews.

The VA oversees the management of information resources within the VA by focusing primarily on the six Governmentwide priority areas: telecommunications, end-user computing, software management, information management, electronic filing, and major information systems.

The Service continued to monitor the VA's compliance with the Paperwork Reduction Act of 1980, as amended. This included the development of a 5-year plan for meeting the VA's technology needs; the periodic evaluation of data and records contained in information systems; an assessment of the paperwork burden; an inventory of VA's major information systems to eliminate redundant data; and the implementation of other Federal information-related requirements.

As an extension of its central role in the VA's IRM program, the Reporting Policy and Review Service is also responsible for the data administration program. The Data Administration Special Interest Users Group (SIUG), chaired by the Director, Office of Information Management and Statistics, was formed during FY 1988. Within this SIUG, seven workgroups were established to address data management issues that are of concern throughout the VA: standards, data base management systems, dictionaries, access to data, data architecture, major systems redevelopment efforts, and the information resources directory. The directory is one of the key features of the overall data administration program. It will serve as a centralized source of information about data contained in any system in the VA, including definitions of data, where data are located, and the organization having responsibility for the data. During FY 1988, a contract was awarded to develop the information resources directory concept, implementation plan, and data cataloging scheme, as well as to evaluate software that could be used for the system.

During the year, the Office continued to serve as the reports processing center for the VA. A complete inventory of approved VA recurring reports was conducted. The inventory is being used to update the VA's active files on reports (including the automated VA Information Locator System, VAILS), assess the value of and continued need for reports, eliminate unnecessary or duplicative reports, and update expired administrative issues.

The Reporting Policy and Review Service prepares a wide variety of reports that provide information on the delivery of services to veterans and their families. Foremost among these is the *Annual Report of the Administrator of Veterans Affairs*, the 1987 edition of which was released during FY 1988. This report is sent to the President and Congress. The second edition of *The VA Today* was also published. This publication highlights achievements of VA employees, technological and managerial advances made by the VA, and the services performed for its constituency. Other publications included the *Geographic Distribution of Expenditures*, *Summary of Medical Programs*, and *Loan Guaranty Highlights*.

During FY 1988, the Reporting Policy and Review Service continued to make modifications and improvements to the Automated Management Information System (AMIS). This computer system serves all elements of the organization by capturing information and supplying reports that assist in assessing trends in VA workload

and in examining the timeliness and quality of VA services. Several initiatives were started to upgrade AMIS in the areas of data accuracy, accessibility, and elimination of redundant information.

Paperwork Management and Regulations

Paperwork Management and Regulations Service is responsible for implementing provisions of the Federal Information Resources Management Regulations (FIRMR) on directives. During FY 1988, progress continued on the Directives Modernization Project which focuses primarily on the conversion to an automated masterfile of directives which will enhance the timeliness of distribution and access to information. A client support services contract was awarded to assist in determining how best to make the transition to an electronic environment for certain directives management functions now performed manually. A Delegations of Authority program was implemented. It establishes systematic control of Agency delegations of authority and identifies the individuals authorized to make decisions and take certain actions on behalf of the Agency. The Directory of VA Membership on White House and Federal Committees/Task Forces, which provides a consolidated and current listing of all committees and task forces on which the Agency is represented, was compiled and published. The Unified Agenda of Federal Regulations, a semiannual report to the Office of Management and Budget (OMB), was submitted electronically.

The VA Information Collection Budget was prepared as required by the Paperwork Reduction Act of 1980 (Public Law 96-511 and its reauthorization in 1986) and 5 CFR 1320. In FY 1988, the Agency reduced the burden hours for existing information collections by 81,824 hours, which was 25.1 percent above the goal of 65,405 hours set by the Office of Management and Budget. The Agency added only 54,272 burden hours as a result of new collections in FY 1988, which was 21.8 percent below OMB's allowance of 69,439 hours.

During FY 1988, the Archivist of the United States approved the Agency's reappraisal of certain medical records of VA patients. A retention standard of 75 years was established for the Consolidated Health Record, which consists of the primary active medical records and the administrative or correspondence records which document episodes of medical care and benefits provided to patients by the VA. All VA medical records had been under an Agency-imposed moratorium against their destruction since June 1979 to prevent the premature disposal of the medical records of the Nations' aging World War II veterans and to protect and preserve the medical records of Vietnam era veterans because of concerns about the effects of possible exposure to herbicides. The moratorium was cancelled with the approval of the new retention standards.

The Archivist also approved three comprehensive records control schedules for the Department of Memorial Affairs. Certain records have been designated as permanent, and will be transferred to the National Archives. These include original burial registers created before 1900.

The VA revised its Freedom of Information Act (FOIA) regulations to incorporate new fee schedules and to clarify the procedures for determining whether fees should be charged. In addition, the FOIA regulations were clarified to provide the VA more flexibility in releasing records or information outside the Agency.

In August 1988, the VA awarded a contract to provide professional relocation assistance to employees who transfer for the convenience of the Government. In addition to a number of other services, the contract provides real estate marketing assistance which includes a guaranteed offer to purchase by the contractor.

The VA reimbursement of the U.S. Postal Service for FY 1987 postage expenses totaled \$46.5 million. In FY 1988, the VA undertook a study of the mailing costs of the pharmacy mail-out program which accounts for approximately 40 percent of Agency postage costs. The study examined options and identified several actions which could substantially reduce VA's postage expenditures without diminishing service to veterans. The VA also participated in the Department of Justice effort to use official mail to assist in the recovery of missing and exploited children by distributing over 62,000,000 photographs of these children through the data processing centers.

During 1988, the Governmentwide travel and transportation expense charge card program was implemented throughout VA. At the end of FY 1988, the VA had 6,582 active cards in use. A total of \$7.11 million was billed to the cards in FY 1988.

Office of Program Analysis and Evaluation

The Office of Program Analysis and Evaluation (OPA&E) supports the Agency's mission and goals by providing an independent analysis of VA programs, policies, and operations in order to support VA decision-makers. OPA&E is comprised of the Strategic Management Service and the Studies and Evaluation Service.

During FY 1988, OPA&E continued to refine the Strategic Management Process. The goal of this process is to link policy and strategic planning activity with other VA program planning, budgeting, and reviewing activities to allow top management to directly influence Agency direction and operations. A policy conference, attended by senior Agency management, was held in January 1988, and discussed preliminary long-term strategic plans for meeting health care and benefit needs of the veteran population, as well as the management of Agency operations.

OPA&E also continued to refine the Agency performance review process which provides a mechanism for: (1) periodically updating program goals and objectives; (2) monitoring the accomplishment of planned actions; (3) assessing workload and productivity against annual projections; and (4) providing status reports on internal controls, OMB Circular No. A-76 activities, and management, quality, and productivity improvement programs. Program operating plans (POPs) are designed to serve as management tools for both program managers and the Agency's top management. POPs provide a centralized source of information on major Agency initiatives, and facilitate the development and tracking of planned initiatives from their initial development through completion. During FY 1988, the "Call for POPs" was expanded to include updates to the Information Systems Plan (ISP) and Automated Data Processing (ADP) fact sheets. This consolidation enables senior management officials to satisfy, in a more efficient manner, recurring data requirements of the Office of Management and Budget (OMB) and other oversight agencies.

The policy and procedures for conducting cost comparison studies are provided by OMB Circular No. A-76 and its accompanying supplement, as well as internal Agency directives. In addition to improving productivity and reducing costs, the A-76 process has increasingly been regarded as the cornerstone of the "privatization" initiative. Under OPA&E's mandate of responsibility for the management, coordination, and implementation of the A-76 Cost Comparison and Efficiency Review programs, the VA implemented Executive Order No. 12615, "Privatization of Commercial Activities." Major provisions of the Executive order include the designation of a senior privatization official; compilation of an updated inventory of commercial activities; participation in the Office of Management and Budget's A-76 automated tracking system; and the development of an A-76 study schedule. The issue of two bidders in A-76 procurements was resolved through legislative provisions and development of internal policy directives. Public Law 100-322 requires at least two bidders in all cost comparisons conducted at VA medical facilities, and Agency policy provides for the limited use of a two-bidder rule for other organizational elements.

OPA&E has overall Agency-level responsibility for the VA's internal controls program. During FY 1988, OPA&E spearheaded the Agency's establishment of a Management Control Plan. This plan includes a schedule of risk assessments to be conducted over the next 5 years as well as planned followup evaluations to ensure compliance with the Federal Managers' Financial Integrity Act.

OPA&E has responsibility for coordinating and reporting all management, quality, and productivity improvement activities in the Agency. The VA continues to maintain a leadership role in the Federal Government in developing and implementing management, quality, and productivity

improvements. Among the major initiatives on the Administrator's agenda at the January 1988 policy conference described above was the implementation of quality and productivity improvements throughout the Agency. Conferees reviewed the proposed quality and productivity improvement plans, as well as employee-oriented recommendations prepared by the VA Employee Focus Workgroup. On June 1-2, 1988, the Agency participated in the first Governmentwide conference on "Quality and Productivity Improvement." OPA&E officials coordinated conference exhibits, and assisted OMB and the President's Council on Management Improvement in formulating the agenda and publicizing the conference. OPA&E personnel also served as conference staff workers and facilitators for the training and workgroup sessions. These sessions encouraged participation of field facility managers in the Agency's management, quality, and productivity improvement program. VA attendees from both Central Office and field stations accounted for 132 of the 1,150 Government personnel participating in the conference.

In further support of the Agency's mission, OPA&E completed 11 management and cost-benefit studies and 2 program evaluations, monitored 13 major contracts, and worked with departments and staff offices on several other reports and studies. Major management and cost-benefit studies included a cost analysis of in-house versus fee-basis orthopedic shoe construction; a staffing needs assessment for Chaplain Service; an analysis of the Architectural and Transportation Barriers Compliance Board; a program review of the Office of Historic Preservation; a study of the feasibility of consolidating the Loan Service and Claims Sections in the Department of Veterans Benefits' Loan Guaranty Service; an economic analysis of the VA life insurance programs; and a cost-benefit analysis of the Integrated Data Communications Utility. The program evaluations were State Approving Agencies and the Restored Entitlement Program for Survivors. Twenty-five reviews of special issues were also completed during the year.

OPA&E provided project management and evaluation of the Management Efficiency Pilot Program (MEPP), which is a 3-year test designed to improve management efficiency in the VA through the selective removal of legal and administrative constraints. The object of this pilot program is to evaluate the achievements made possible when managers are allowed greater flexibility and authority. The central theme of MEPP is to "free managers to manage."

The Office provided administrative coordination on VA's blanket management studies contracts by serving as the Agency's contracting officer representative. The original blanket contracts awarded 3 years ago expired during FY 1988. Prior to their expiration, 24 task orders were awarded to the original contractors, with a total value of nearly \$5,000,000. Since July 31, 1988, the Agency has awarded 10 task orders against new blanket contracts for a total of about \$2,700,000. Thus, during FY 1988, a

total of 34 task orders were placed, amounting to an awarded total of more than \$7,600,000. VA client offices have come to regard this vehicle as a desirable resource for consulting services, management analyses, and studies of a wide range of management issues.

In the area of office automation, OPA&E has worked out an agreement with the Office of Information Management and Statistics (OIM&S) to upgrade the current system. The new system will be shared by OPA&E and OIM&S, with the possibility of sharing with other VA offices in the future. A local area network (LAN) is also being installed, which will allow other offices to tie into the network for electronic mail and other telecommunications capabilities.

Office of the Associate Deputy Administrator for Logistics

The Office of the Associate Deputy Administrator (ADA) for Logistics provides policy-level management and oversight of the VA's capital facilities and real property programs, acquisition and materiel management programs, Central Office administrative support services, and environmental affairs programs.

The ADA for Logistics is responsible to the Administrator for the general management of the Offices of Facilities, Acquisition and Materiel Management, and Administration. The ADA for Logistics also serves as the VA's Senior Procurement Executive, in accordance with Executive Order No. 12352, and as the Agency's Director of Environmental Affairs. The ADA for Logistics further serves as Agency liaison with the Real Property Executives Advisory Committee, the Federal Interagency Energy Policy Committee ("656" Committee), the General Services Administration, the Interagency Committee on Women's Business Enterprise, the Interagency Council on Metric Policy, and the Office of Federal Procurement Policy within the Office of Management and Budget.

The ADA for Logistics also provides administrative support to the Office of Small and Disadvantaged Business Utilization (OSDBU). While the Director of OSDBU reports directly to the Deputy Administrator, the ADA for Logistics provides policy review of OSDBU operations to the Deputy Administrator.

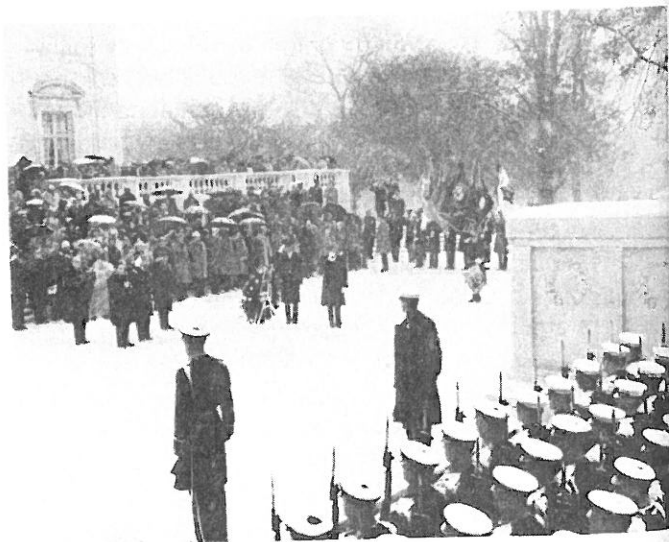
Office of Administration

The Office of Administration is responsible for providing a broad range of administrative services to all VA Central Office elements and field facilities. The Office of Administration is organized into four functional services: Central Office Support Service, Building Management Service, Publications Service, and Audio Visuals Service.

The Director, Office of Administration, serves as the Agency liaison with the Joint Committee on Printing of the U.S. Congress in regard to Federal printing policy;

the National Audiovisuals Center in regard to audiovisual innovations; and the General Services Administration in regard to space acquisition, telephone service, and other general support functions within the National Capital Region.

The Office of Administration is responsible for providing nationwide printing services, which include composition, artwork, printing, storage, and distribution of printed material to VA field facilities. In FY 1988, 8,948 requests relating to these services were processed. In addition, the Office has Agencywide responsibility for the design, production, and presentation of exhibits, as well as production, control, and distribution of motion picture films, video tapes, and television announcements. The operation, maintenance, repair, alteration, and security of VA Central Office are additional responsibilities of the Office of Administration. In FY 1988, 7,760 maintenance and repair problems were corrected. Support services provided by the Office of Administration to Central Office include receipt, distribution, and dispatch of mail, totaling 3,902,377 items; space and real property management; records management; telecommunications support; maintenance of office furniture and equipment; small purchase acquisitions, totaling 15,682 requests; and emergency preparedness.



A tape produced by the Office of Administration featured former Secretary of Defense Caspar Weinberger placing the Presidential Wreath at the Tomb of the Unknowns on Veterans Day, November 11, 1987.

In FY 1988, the Office of Administration produced or participated in the production of 14 films and videos. One film, "A Little Accommodation," demonstrates the use of computer technology by disabled employees. Produced with the cooperation of the Office of Personnel Management (OPM), "A Little Accommodation" encourages the employment of disabled workers in both private and public sectors. Another film, "A Valuable Resource," presents the association between the Veterans Administration and State Veterans Homes. It highlights the many positive effects of this partnership and encourages continued cooperation as the State Veterans Homes program enters its second hundred years.

The 6-minute tape entitled "1987 Veterans Day Ceremonies" received considerable attention. The tape is a dramatic presentation of former Secretary of Defense Caspar Weinberger placing the Presidential Wreath at the Tomb of the Unknowns during the height of a sudden snowstorm.

Other special productions included "Memorial Day Ceremonies" and a 30-second public service announcement, "Observe Veterans Day (1988)," which was distributed nationwide by satellite.

Program Initiatives

To enhance productivity and cost efficiency, contracts were awarded in FY 1988 for electronic publishing and computer graphics systems. Both systems will be installed and operational in FY 1989. Another program initiative completed in FY 1988 is the utilization of the LOG I system for ordering forms and publications. The system allows on-line access between the Forms and Publications Depot and all VA field facilities. At the end of FY 1988, the Office of Administration's conversion of VA Central Office to the Centrex telephone system was 75 percent complete.

In May 1987, VA accepted the delegation of authority from the General Services Administration to manage the VA Central Office (VACO) building. In FY 1988, a complete physical plant assessment of the VACO building was completed. The results provide a means to identify and prioritize building deficiencies that are targeted for corrective action. In addition, an assessment of VACO space in the National Capital Region was completed. This assessment identifies current space utilization and is highly beneficial in space planning for future consolidations.

The VACO "Clean-Up" Campaign, conducted over a 6-month period, resulted in tremendous improvements in the work environment. Employees were encouraged, through a poster campaign, to maintain order in their offices, remove unused items, and suggest repair of items in the building. Examples of other enhancements included painting interior halls, walls and restrooms, and improving power distribution and safety.

During FY 1988, GSA announced plans for renovation of the VA Central Office building. This "prospectus level" project is essential to the Agency due to the age of major building systems, such as electrical, plumbing, heating, ventilation, and air conditioning; various fire and safety issues; and the potential need for asbestos abatement. Architectural renovations related to the systems work will also be completed by GSA.

The current estimate for this work, which will be funded by GSA, is \$26 million. In accordance with the building delegation provisions, VA may fund certain project elements. Construction for the project is scheduled to begin in FY 1991. Planning activities are currently underway in

VACO and are being handled cooperatively with GSA. The Director, Office of Administration, is the Project Director, with technical assistance provided by the Office of Facilities and the Office of Information Systems and Telecommunications. The project will help ensure a modern, quality workplace for VA employees, and will help VA achieve its long-range goal of consolidation of Central Office elements.

Office of Facilities

Comparative Highlights

<i>Item</i>	<i>FY 1988</i>	<i>FY 1987</i>	<i>Percent Change</i>
Major construction contracts awarded	22	29	-24.1
Number of construction projects	936	1,011	-7.4
Estimated construction cost (millions)	\$3,776	\$4,180	-9.7

The Office of Facilities (O/F) reports to the Associate Deputy Administrator for Logistics. The O/F is responsible for providing the real property and facilities required by the departments and staff offices of the VA to carry out their specific missions. This includes acquiring, by lease or direct Federal construction, a variety of specialized facilities and land for the Department of Medicine and Surgery, such as hospitals, outpatient clinics, research centers, nursing homes, and domiciliaries. It also includes acquiring regional offices, by negotiation with GSA or direct construction, to accommodate the dispersed activities of the Department of Veterans Benefits. The Office is also responsible for acquiring land and support facilities required by the Department of Memorial Affairs for the National Cemetery System. With these program responsibilities, the O/F performs the following services as required for specific projects: planning, design, construction, land acquisition and disposal, leasing, and real property management. The Office is responsible for ensuring project compliance with the National Environmental Policy Act (NEPA) through in-house preparation and review of environmental assessments and monitoring consultant contracts for preparation and public coordination of environmental impact statements.

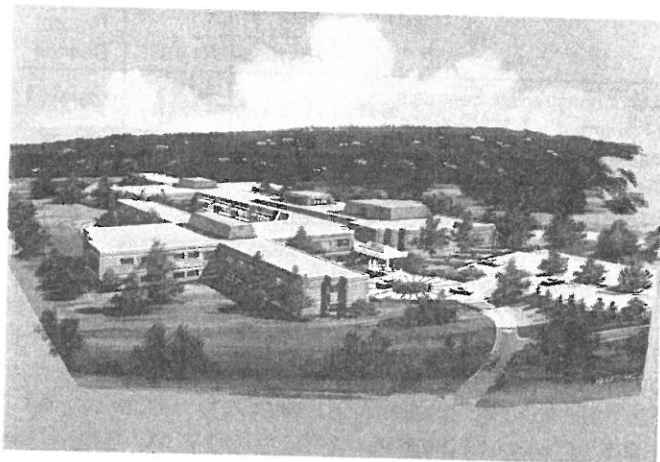
In FY 1988, \$694.2 million was obligated for the major, minor, and parking revolving fund appropriations. This encompassed 439 awards for project design or construction. At the end of FY 1988, over 3,500 projects (major, minor, and minor miscellaneous), totaling more than \$9.4 billion, were being administered by the Office in the planning, design, and construction stages.

A variety of major construction projects were completed in FY 1988. Nursing home care projects were completed at Lyons, New Jersey, and San Antonio, Texas. Clinical projects were completed in Fayetteville, North Carolina; Charleston, South Carolina; and Temple, Texas. In addition, ambulatory care projects were completed at

Shreveport, Louisiana, and Altoona, Pennsylvania; spinal cord injury units were completed at Long Beach and San Diego, California; and a replacement/modernization project was completed at New Orleans, Louisiana.

Architect-Engineer Contracts

During FY 1988, the Office of Facilities awarded 36 Architect-Engineer contracts for construction projects, totaling \$21.5 million; 14 letter-contracts for Facility Development Plans (FDPs) with a fee total not to exceed \$3.5 million; and two Value Engineering (VE) contracts, totaling \$238,817.



A 240-bed nursing home care unit in Lyons, New Jersey, was completed in FY 1988.

The largest design contract, totaling \$4,060,000, was awarded for working drawings on the clinical addition and parking garage at Atlanta, Georgia. The remaining 51 contracts ranged in price from \$69,031 to \$1,743,374. Twenty-seven contracts were awarded to small business firms, including two small business set-aside solicitations.

Construction Contracts

During FY 1988, the Office of Facilities awarded 22 construction contracts in capital improvements for the

VA, totaling \$411.1 million. Two of the contracts, totaling over \$16 million, were negotiated with small disadvantaged firms under the Small Business Administration 8(a) Program, and seven contracts worth about \$41 million were small business set-asides. The major contract awards in FY 1988 include: Bed Replacement and Modernization—Phase II at Dayton, Ohio (\$69 million); Environmental Improvement, Patient and Nursing Home Care Unit Buildings—Phase I at North Chicago, Illinois (\$63 million); and Outpatient, Clinical and Nursing Unit and Alterations—Phase I(a) at Salem, Virginia (\$49 million).

Real Property Management

During FY 1988, O/F completed acquisition of 2.08 acres¹, through donation, and 8.58 acres, through transfer from the Army. An offer to donate 323 acres for a national cemetery was accepted, with settlement expected in FY 1989. Contractual agreements have been obtained for 18 of approximately 70 acres being purchased for construction of a new hospital. During the same period, the VA issued approximately 50 leases, licenses, and permits to public and private interests for the use of Agency-owned real property.

In compliance with the requirements of Executive Order No. 12512, 31 land utilization surveys were initiated at VA medical centers. As a result of the VA's survey program and decisions made by the Administrator, 2.39 acres at the Lincoln, Nebraska, VA Medical Center and 16 acres at the Little Rock, Arkansas, VA Medical Center, were declared excess to the needs of the VA and formally accepted by the General Services Administration (GSA).

The O/F completed six economic cost analyses for Department of Veterans Benefits and Department of Medicine and Surgery projects. Thirteen leases were awarded for relocation, expansion, renewal, or extension of VA program activities. The VA paid GSA \$90.2 million

¹ All acreage figures cited are estimates.

Construction Status 1988

Description	Total		Completed		Under Construction		Authorized but not Under Construction	
	Number	Estimated Construction Cost (in millions)	Number	Estimated Construction Cost (in millions)	Number	Estimated Construction Cost (in millions)	Number	Estimated Construction Cost (in millions)
Replacement and Relocation Hospitals	12	1,520.7	0	0.0	10	1,139.6	2	381.1
Modernizations	7	484.2	1	67.6	5	351.6	1	65.0
Cemeteries	91	45.6	31	18.3	25	6.9	35	20.3
Nursing Home Care Units	27	142.8	2	21.5	7	42.6	18	78.7
Domiciliaries	4	39.7	0	0.0	4	39.7	0	0.0
Research and Education	15	44.5	1	.6	7	24.7	7	19.3
Other Improvements	780	1,498.6	127	200.8	371	867.6	282	430.2
TOTALS	936	\$3,776.1	162	\$308.7	429	\$2,472.8	345	\$994.6

NOTE: Totals may not add due to rounding.

for rental of 7.1 million square feet of office and non-office space. Approximately \$25 million was paid for 2.6 million square feet of medically-related space directly leased by the VA. A handbook to familiarize the field with detailed leasing procedures, entitled *Acquisition of Leasehold Interest in Real Property*, was developed and distributed by the Agency nationwide.

In FY 1988, the Agency achieved a reduction in overall office space utilization rates to 91.88 square feet per workstation in GSA-controlled space. The Agency continues to seek space reductions in connection with VA-owned and VA-controlled space to comply with Executive Order No. 12411 and Federal regulations on space reduction goals.

The VA continued its active ridesharing program in compliance with Executive Order No. 12191 and Federal regulations. In addition to conserving energy, creating a cleaner environment, and providing an economical way for employees to get to work, the program is designed to minimize the number of single occupant employee parking spaces required at VA facilities. The Agency achieved overall employee ridesharing of 30 percent in FY 1988.

The Office of Facilities performed 102 VA parking analyses to determine the existing and projected number of parking spaces required at certain field facilities. Public Law 99-576 established pay parking requirements for all garage and surface parking at medical facilities where garages are constructed or leased under certain conditions. The VA implementing regulations went into effect in August 1988, and collection of parking fees has begun at the Chicago (Lakeside) VAMC. Fee collection will commence at other affected medical facilities as the garages are activated.

During FY 1988, the Office of Facilities adopted the automated real property management system developed under the auspices of GSA. The system, known as Foundation Information for Real Property Management (FIRM), will be instrumental in improving the management of real property and associated matters. During FY 1988, contractor support provided the means by which to implement FIRM and tailor it to specific VA needs.

State Veterans Homes

The Office of Facilities provided technical assistance to the Office of the Assistant Chief Medical Director for Geriatrics and Extended Care for State domiciliaries, nursing homes, and hospital facilities in 20 States. During FY 1988, 14 States received 20 obligations and awards, totaling \$48.2 million, for State home projects. Thirteen new requests, which total \$54 million, were received and have been reviewed. A total grant request estimated at \$164.8 million for 53 projects is being held pending Federal funding in future years.

Facility Development Plans (FDPs)

In FY 1988, significant progress was made in the implementation of one of the most important recommendations identified by the Agency to improve the VA's health care facility construction process. The preparation of FDPs for all VA medical centers will substantially enhance the facility planning process.

The FDP is a written, comprehensive, integrated plan which depicts the conceptual approach to the development of a VA medical center over a specific long-range planning horizon. The FDP is based on current and projected health care and facility development requirements. It results in a selected facility development strategy and a logical grouping of construction activities to implement the strategy and meet the needs identified for each VA medical center. Each FDP consists of three stages—problem definition, strategy development, and FDP preparation.

During FY 1988, the VA tested a process for developing FDPs at four pilot locations. A contract was awarded to an independent consultant to evaluate the pilot facility development planning process to ensure that it meets necessary requirements and provides feedback and guidance for use in developing future FDPs. Based on the results of the evaluation, the Agency has proceeded with full implementation and has awarded contracts to prepare FDPs at 80 VA medical centers.

The FDPs will be used as the basis for all facility planning activities in the VA. This includes the preparation of the 5-Year Facility Plan at the local level, and system-wide planning at the district, regional, and national levels, including the identification, prioritization, and budgeting of specific construction projects.

Other Design Process Improvements

Other major recommendations focused on the clearer definition and earlier resolution of design issues, and on the value of improved standards and controls. A plan is now being produced to modify the VA's design development process to conform with the process almost universally used by the private sector, and to initiate the development of Functional and Physical Design Programs as a routine stage in project development. These will be key steps toward earlier resolution of design issues, along with increased O/F emphasis on design guides, and improvements in the electronic formatting of standards and other documents.

Interactive Medical Facilities Planning

The Interactive Medical Facilities Planning (IMFP) System, instituted in 1988, is an automated space planning system that identifies space planning criteria for VA facilities. Based on the necessary staffing and workload inputs, IMFP provides the project planner a room-by-room listing of the space requirements for a given facility, and gives the planner the ability to interactively update and

edit these requirements. The system also will be used for facility comparative analysis and the testing of planning alternatives.

The IMFP has been used for space planning modeling for the first 80 Facility Development Plans. Projected bed and outpatient workload information for FY 2000 for each medical center has been applied to typical staffing and program planning information from peer facilities to produce an initial space program.

Five-Year Medical Facility Development Plan

The VA annually provides Congress a 5-year Medical Facility Development Plan representing a strategic approach for the operation and construction of medical facilities. This report lists all major projects estimated to cost \$2 million or more currently planned by the VA over a 5-year planning period. It is presented to Congress in accordance with the provisions of title 38, U.S.C., section 5007. The most recent plan, delivered to Congress in August 1988, covers the period FY 1989 through FY 1993. It contains 83 projects with an estimated cost of almost \$2.6 billion. This plan is the 10th submission to Congress, and depicts the magnitude of the effort required to meet the facility requirements of the VA health care delivery system.

Capital Facilities Studies

First initiated in 1984, Capital Facilities Studies (CFS) are comprehensive, systemwide technical evaluations of the physical plant of VA medical facilities built prior to 1970, based on the existing functional usage. The data generated is utilized by the VA to address both current and future construction needs. The CFS data are currently used to evaluate the viability and priority of proposed projects, and will be one of the foundations for the Facility Development Plans. The updating phase of the CFS is currently underway, and funding has been requested to include medical facilities built after 1970, as well as selected cemeteries.

Asbestos Abatement Program

The VA's asbestos abatement program is extensive; its execution requires a substantial expenditure of funds and resources. Most VA facilities were built before the mid-1950s and consequently contain significant amounts of asbestos. All asbestos presenting an imminent hazard has been removed, and the removal of all other asbestos is being dealt with as part of renovation or remodeling projects.

All asbestos abatement projects adhere to all applicable local and Federal regulations and standards, including Occupational Safety and Health Administration (OSHA) regulations. The VA recently issued a policy document which clarifies and coordinates asbestos policy throughout the VA. It establishes strict criteria for the protection of all patients, visitors, and workers, as well as stringent

procedures to be followed for completing abatement of all asbestos in VA facilities.

Value Engineering

Value Engineering (VE) is an effort to remove anything that adds cost to an item but does not add to the required function. This provision is included in all construction contracts greater than \$100,000. The Agency's VE program has been very productive. Large savings have been generated without loss of function, and in some cases function has been improved.

Savings achieved through VE for FY 1988 were over \$10 million. Of the total, \$4.56 million resulted from VE at Detroit, Michigan, for the new hospital; \$999,000 was saved on the Tilton, New Hampshire, State Nursing Home; \$360,000 on the Dublin, Georgia, Outpatient Clinic; and \$2.2 million on the San Francisco, California, Nursing Home.

Construction Research and Development

The construction Research and Development (R&D) program covers architectural and engineering projects involving health care building technology. The primary purpose of this program is to find innovative and cost-effective ways to improve the quality, safety, and functional efficiency of VA facilities for the benefit of patients and staff. The results of these efforts are shared with other building owners, designers, and technical organizations in the private and public sectors. In like manner, the Office of Facilities R&D staff consults with the construction R&D community to keep abreast of current developments.

During FY 1988, an important research and development project evaluating doors and hardware for use by disabled patients was completed. The recommendations of this study are being implemented, including the introduction of new types of hardware and doors for spinal cord injury facilities. Accessibility to future hospitals and nursing homes will be improved as a result of the study.

Another ongoing project to study and improve environmental conditions in animal research facilities is progressing well. An experimental facility is being fully automated to integrate the immense data generated by research and development efforts. The project objective is to determine the most cost-effective and optimal ways of designing animal rooms in research laboratory facilities to ensure quality control of research experiments.

Barrier-Free Design

Accessibility to all VA facilities for disabled persons is routinely designed into all new construction, renovations, and new leases. Preliminary plans and working drawings are reviewed by the Architectural Accessibility Compliance Office to ensure that an accessible environment is provided to all persons. In addition to O/F projects, all designs for State Veterans Home construction which are

VA Receives 1988 Federal Design Achievement Award

The Veterans Administration Fort Custer National Cemetery, Battle Creek, Michigan, received a 1988 Federal Design Excellence Achievement Award. Entered under the category discipline of Landscape Architecture, the cemetery was master planned by the consulting firm of Johnson, Johnson, & Roy of Ann Arbor, Michigan.

Bestowed once every 4 years, the Presidential Design Awards recognize excellence in Federal design accomplishments and honor individuals who have made outstanding contributions to Federal design. Nominees were selected in two categories—Achievement Awards for meritorious design and the higher Presidential Awards for design excellence.

The Fort Custer National Cemetery represents the VA's new generation of cemeteries recognizing and building upon the historic concept of a cemetery as a park rather than as a formal memorial. Wetlands, ponds, panoramic views, unique trees, and meadows are preserved and managed as conservation areas. Drives, buildings, and committal shelters are fitted closely into the natural terrain to minimize disruption of the natural systems including slopes, vegetation, water features, and drainage patterns. The intent is to create a national cemetery which offers a setting reflective of the region and people it serves, in a park-like area for interment, reflection, and interaction with nature.

The Fort Custer National Cemetery was officially dedicated in 1984 and is designed to serve six Midwestern States. The facility will initially accommodate 20,000 and ultimately 84,000 gravesites for eligible veterans and their families residing in Michigan, Indiana, Illinois, Ohio, Wisconsin, and Minnesota. The Fort Custer National Cemetery is 1 of 112 national cemeteries managed by the Department of Memorial Affairs.

to receive major funding through VA grants are also reviewed.

Recently received waivers from the Uniform Federal Accessibility Standards for 11 nursing homes will enable the VA to utilize a preferred toilet grab bar configuration in 90 percent of the resident toilets. The use of this design—straddle grab bars on both sides of the toilet—will give greater safety, security, and independence to patients.

All VA facilities were surveyed for accessibility deficiencies. The results of the survey will be used to identify future corrective action to ensure the removal of barriers to disabled persons.

Improvements to Project Management

In an effort to increase standardization, control, and productivity at construction project sites, a test of a comprehensive resident engineer management system was conducted during the past 3 years at 20 job sites nationally. In FY 1988, a contract was awarded for 75 worksystems to be installed during 1989 and 1990 to support the administrative, management, and communication needs of each major construction project.

A complementary systems effort to provide similar contract management and administrative functions to Central Office project managers has been installed and will continue to be developed to interface with the resident engineers' system. Improved timeliness of contractor payments and tight coordination between field and Central Office project management staffs are the primary benefits to be achieved by this centralized/decentralized systems effort.

Biomedical Engineering

The VA's medical equipment inventory is now approaching \$1.5 billion based on acquisition costs. Biomedical Engineering Sections of the Engineering Service at individual VA medical centers are successfully maintaining this inventory through a combined program of in-house medical equipment maintenance activities with judicious use of private sector sources. Analysis of data reflecting actual FY 1987 expenditures shows an annual cost-avoidance of \$33 million achieved through less reliance on expensive service contracts. Moreover, factoring this cost-avoidance against outlays of funds reveals a 40 percent return on the Agency's investment.

The VA conducted another successful training program for biomedical engineering technicians with strong backgrounds in digital electronics and microprocessors to improve expertise in X-ray troubleshooting and repair. This training program is conducted through a formal contract with a private vendor and provides 240 training hours coupled with an equal amount of on-the-job assignments. This training has resulted in a recurring cost-avoidance of \$1.5 million since FY 1987, and an expected \$2.5 million cost-avoidance by the end of FY 1989, while improving the quality of maintenance.

The VA Facilities Engineering Service computer project, known as Automated Engineering Management System/Medical Equipment Reporting System (AEMS/MERS), is now in the fourth year of operation. AEMS/MERS provides equipment histories, preventive maintenance scheduling, financial accounts management, and other facility engineering management functions.

Energy Management Program

The VA has been actively involved in energy management since 1975. The current program is guided by national laws and requirements mandated by various regulatory agencies. Long- and short-range planning provides for specific energy reduction targets to be achieved by each medical center. Since 1975, over \$160 million in net utility cost-avoidance has been achieved. Twenty-four medical centers already have achieved over 100 percent of their FY 1995 established target goals, and 69 other medical centers have achieved more than 80 percent of that goal. Due to the long-range nature of cost-effective retrofit projects, \$320 million in benefits is estimated over the next 6 years. The current plan is to achieve an additional 10 percent reduction in energy consumption per square foot by the end of FY 1995, compared to FY 1985.

As one of the leaders in the energy management field, VA was selected to receive three awards from the Federal Interagency Energy Policy Committee and the Department of Energy. The VA medical centers in Big Spring, Texas, and Martinsburg, West Virginia, received 2 of the 15 awards designated for organizations, for their collective staff efforts in reducing total energy usage. Mr. Albert Iamiceli, Chief, Engineering Service, Batavia, New York, VA Medical Center, received 1 of the 15 awards designated for individuals. Mr. Iamiceli was responsible for the installation of five small self-contained off-peak boilers that resulted in an 18 percent savings in natural gas consumption during the 4th quarter of FY 1987. The project allowed the medical center to modify the hours of operation of the boiler plant, which contributed to a 53 percent reduction in fuel oil consumption in FY 1987, compared to FY 1986.

The major benefactors of the energy management program are the recipients of VA medical care, since the savings from this program have allowed resources, otherwise unavailable, to be used to improve medical care programs. Funding will continue to be provided for highly technical, complex, cost-effective projects such as cogeneration, installation of thermal ice storage systems, and direct digit control systems to meet the new goal by FY 1995.

Fire Protection

Fire protection policy for the VA is promulgated from the Office of Facilities. Specific duties include approving equivalency requests to established VA building fire codes and standards; providing technical interpretations; issuing guidance and procedures on fire protection for field facilities; managing the VA Fire Department program; providing fire safety training to other organizational elements within the VA; and representing the VA on national consensus standards on hospital fire protection.

New procedures and technical guidance have been developed for the Fire Safety Evaluation System (FSES) program. The VA is modifying its technical guidance to be more consistent with the national consensus standard. This program continues to provide equivalent levels of fire safety for medical centers. The plans of corrective actions resulting from the FSES studies continue to save individual medical centers thousands of dollars and provide solutions which are operationally acceptable. In FY 1988, several FSES equivalencies have been approved for individual medical centers.

In FY 1988, training was provided to field facilities regarding the new Joint Commission on Accreditation of Healthcare Organizations (JCAHO) standards on plant technology and safety management. These standards take effect January 1, 1989. The training addressed the relationship between the previous 19 standards and the new standards which are grouped into 4 broad areas. The training detailed the differences among these areas, emphasized how to comply, and identified those areas on which the JCAHO was placing the greatest emphasis for compliance. Also included was information regarding changes in the JCAHO accreditation and survey process

which affect engineering and safety operations at medical centers. The training should assist all medical centers in their accreditation process with JCAHO.

Training was also provided this year via a teleconference on the update to the Life Safety Code. This standard is followed by the VA and used by JCAHO in their standards and by the Health Care Financing Administration for Medicare/Medicaid approval. It is the most important fire safety standard used in the VA. The teleconference had over 950 participants. A workbook, desk reference, case studies, and tests were included. Questions were answered during the teleconference on the revisions to the Life Safety Code. Additional guidance has also been developed for distribution to the field.

Nationwide Engineering Operations

The Facilities Engineering Service (FES) is responsible for addressing VA medical center engineering problems. A start-up Operations and Maintenance (O&M) Manual has been prepared by the FES staff with the National Institute of Building Sciences (NIBS). The manual will help provide needed basics for the VA medical center engineering staff on new equipment and systems installed as a part of the VA's construction program. A new initiative will implement this manual in selected projects. Of specific interest is the significant help provided by the manual in the activation of new large projects.

A Chief Engineer Advisory Board (CEAB), established in 1987, has made over 40 recommendations for improving operations. Over 30 of these have been approved. One of the projects addressed by the Board, the VA's Engineering Training Center, and FES staff is the VA medical center Engineering Service Handbook. The handbook is

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presently being printed, with distribution expected in early second quarter, FY 1989. The final product will be an excellent reference for administration, management, and operations and maintenance at the medical center level.

One key responsibility of the FES Operations Division is VAMC Engineering Service program evaluations. An evaluation provides an external audit of the engineering operation and may be performed at the request of the DM&S Region, VAMC Director, or the Director, Facilities Engineering Service. The findings and recommendations provide top VAMC management and the chief engineer with an objective improvement approach, and provides excellent direction during transition for a new Chief, Engineering Service. During the past year, seven Engineering Service program evaluations were performed.

Office of Acquisition and Materiel Management

In March 1988 the Administrator approved an organizational realignment of the Office of Procurement and Supply. The new organization, which is named the Office of Acquisition and Materiel Management (OA&MM), provides an energized focus on management direction towards improved communications; clearer lines of authority, responsibility, and accountability; customer service; career development; productivity through expanded automation systems; more effective planning; a proactive approach to problem-solving; and a creative environment for increased innovation. The primary objective of OA&MM is to provide quality products and services at the best possible prices.

The OA&MM provides program and policy development and oversight of a multibillion dollar acquisition and materiel management program. The Office also oversees the acquisition and materiel management functions of a centralized procurement and distribution system. The system consists of three supply depots; a marketing center which develops centralized, cost-efficient contracts; and a prosthetic distribution center which provides patient care items, such as hearing aids for veterans.

This centralized system provides services to a nationwide health care system consisting of 172 hospitals, 28 domiciliaries, and 233 outpatient clinics. In FY 1988, total sales through the supply fund system totaled \$737 million, with an average inventory of \$60 million, and a variety of medical care, pharmaceutical, and subsistence items that turn over at a rate of 5.2 times per year.

In FY 1988, acquisition techniques, such as standardization, medical district consolidation of requirements, and resource sharing with both the Federal sector and private sector, were used to enhance various innovative acquisition concepts and maximize VA's buying power. One of the most noteworthy accomplishments was the conversion from multiple-contract award to a single-contract award for intravenous (IV) solutions and administration

sets for use throughout the VA. This approach sparked the competitive market and is expected to result in 5-year savings of approximately \$75 million. The OA&MM is planning to use similar, cost-effective bidding approaches for future VA purchases.

Other examples of contracting efficiencies in FY 1988 include:

- **Dietary Supplements:** By maximizing full and open competitive bid requirements, the Marketing Center was successful in realizing cost efficiencies of \$7.9 million on dietary supplement procurements.
- **Generic Drugs:** Two noteworthy generic drug purchases were made—vancomycin HCL injection and leucovorin calcium tablets. The savings from these purchases are projected to be \$3 million.
- **Federal Supply Schedule Program:** A contracting initiative resulted in negotiation of additional discounts for certain dollar-threshold procurements of medical x-ray film under the Federal Supply Schedule Program. An additional cost-avoidance of \$1.1 million was achieved through these contract negotiations.
- **Per Use Contracts:** Working with the Federal Supply Service of the General Services Administration, the VA laid the groundwork for the proposed development of a new Federal Supply Schedule for laboratory equipment priced on a per use/per test basis. If approved by GSA, this new capital acquisition strategy may eliminate the need for large initial capital outlays, separate maintenance contracts, and the individual purchase of consumables. Under the new concept, the contractor will furnish the equipment, maintenance, and consumables; payment will be made in accordance with a price-per-usable test run on the equipment.
- **Enhanced Decentralized Hospital Computer Program (DHCP):** The VA awarded a contract for enhanced DHCP equipment and maintenance service for 59 percent below the anticipated cost. This contract award will result in the VA's use of the most recent medical automation technology. The procurement was accomplished through a very complex negotiation and award process.
- **Consolidated Procurement:** The Department of Medicine and Surgery's medical centers strongly supported OA&MM's district-consolidated procurement programs. For FY 1988, the medical centers have reported an estimated cost-avoidance of about \$4.7 million in procurement costs and an associated administration cost reduction of some \$554,000. These savings represent a tremendous increase over the projected cost-avoidance of \$1.7 million for FY 1988.

FASTRAC: New Delivery System for Pharmaceuticals

In April 1988, the Office of Acquisition and Materiel Management instituted a new rapid delivery system from the VA supply depots located at Hines, Illinois; Bell, California; and Somerville, New Jersey. This initiative, known as FASTRAC, guarantees delivery of immediate needs for depot-stocked pharmaceuticals within 24 hours and will result in significant cost savings to VA medical centers. For example, in just 5 months, with a limited test project, the VA reported a cost-avoidance of over \$1 million. With the expansion of this service to all VAMCs on October 1, 1988, OA&MM predicts major cost savings to its customers in 1989.

- **Relocation Services for Employees:** In August 1988, OA&MM awarded a contract which implements the VA's Relocation Services Program for employees transferring to different duty stations. The contract provides for third-party relocation assistance to these employees, helping them plan, finance, and complete their moves to new assignments.

Office automation is a major component of the long-term strategy to provide a VA-wide network for voice, data, video, text, telecommunications, and end-user computing. The current contract has enabled the VA to implement a comprehensive nationwide network of office automation systems. During FY 1988, the VA acquired millions of dollars of new and upgraded equipment in order to provide continued service to all departments and staff offices. The current contract expires in December 1989, and efforts are underway to meet all future office automation needs through the competitive bid process. This approach should result in the best possible prices for the VA.

OA&MM received approval for its office automation system in late FY 1988. Installation of the new system is scheduled for early FY 1989, in conjunction with OA&MM's office space renovation project.

The VA has an antiquated, batch-driven, logistics system. To remedy this problem, OA&MM obtained funding approval to replace the outdated system. The replacement system, which is called the Integrated Supply Management System (ISMS), will be an on-line, state-of-the-art system. It will enable the VA to make smarter buys; reduce inventories; eliminate manual processes; enhance program oversight; and strengthen management controls to prevent waste, fraud, and abuse. An independent contractor is completing the requirements analysis, which is the first phase of the development process. The VA anticipates award of the first in a series of contracts for the ISMS by the end of FY 1989. The entire system will be fully operational and employees will be trained on the new system by 1993.

The VA is a leader among Government agencies in the recovery of precious metals. As such, it ranks second only to the Department of Defense. FY 1988 was another successful year for collection of silver and scrap film by VA medical centers. The approximate value of precious metals recovered was \$1.6 million. Proceeds from the sale are returned to the VA Supply Fund. This, in

turn, reduces the cost of depot supplies ordered and received by the medical centers.

During FY 1988, the Marketing Center initiated actions to stock an additional 193 items in the Central Distribution System. Use of the expanded stocked items should result in an estimated cost-avoidance of \$14 million to VA customers over current prices.

At the three supply depots, the VA implemented the Most Efficient Organization developed as a result of the study required by OMB Circular A-76. As a result, the three depots won competitions against the private sector. These productivity actions resulted in a reduction of 48 FTEE and reduced operating costs by over \$1 million.

The VA continued its four-level acquisition training program during FY 1988. By the end of the year, over 800 warrants had been issued to individuals trained to exercise contracting authority for the Government. In addition, the VA has developed comprehensive training programs for its materiel managers and supply, processing, and distribution employees. Benefits from training are directly related to recent improvements in operations and management of OA&MM programs.

The VA Marketing Center in Hines, Illinois, sponsored a Federal Supply Schedule Conference March 14-18, 1988. This national conference was held to promote a better understanding of the VA's diverse \$673 million Federal Supply Schedule (FSS) Contract Program. The 400 individuals who attended the conference included corporate presidents, directors of marketing and sales, account executives, corporate attorneys, and representatives involved in foreign trade.

Office of Small and Disadvantaged Business Utilization

The Office of Small and Disadvantaged Business Utilization (OSDBU) was established in compliance with the requirements of the Small Business Act, as amended by Public Law 95-507. The Office serves as the Agency's advocate for the participation of small and small disadvantaged businesses, Vietnam era and disabled veteran-owned businesses, women-owned businesses, and labor surplus area concerns in VA contracts and subcontracts awarded by prime contractors.

OSDBU provides support and assistance in planning, implementing, and coordinating VA programs for small

and small disadvantaged businesses, as directed by statutes, Executive orders, and applicable Federal regulations establishing preferential procurement programs. The Office ascertains the effectiveness of current procurement policy, procedures, and plans for application throughout the VA in promoting these programs. The Office also establishes, negotiates, and maintains the goals for each program. In addition, OSDBU actively conducts outreach and liaison efforts to small businesses wishing to do business with the VA.

An integral aspect of OSDBU's outreach program is assisting VA acquisition offices to effectively and efficiently implement VA's socioeconomic program. The Office conducts training seminars for VA personnel regarding the socioeconomic program; provides assistance in achieving the objectives of the program; and acts as liaison between the small business community, VA procurement activities, the Small Business Administration, and the Defense Contract Audit Agency.

OSDBU promotes the increased use of small businesses by providing them with advice and assistance in matters concerning the VA's socioeconomic procurement program. The Office provides guidance to firms seeking to be added to bidder's lists for the marketing of services or products to the VA directly or through VA prime contractors.

Public Law 95-507 requires large businesses that have been awarded contracts exceeding \$500,000 to agree to provide small businesses and small disadvantaged businesses the maximum opportunity to participate as subcontractors. During the past year, OSDBU successfully conducted small and small disadvantaged business

workshops at pre-bid conferences for major construction projects. These workshops have allowed small businesses to market their capabilities to large prime contractors. The workshops also provide the prime contractors the opportunity to meet with prospective small business representatives in order to determine specific subcontracting opportunities.

FY 1988 was the most successful year for the telephone system replacement program, established under the auspices of the Small Business Administration 8(a) set-aside program for small disadvantaged firms. With the cooperation of the Office of Information Systems and Telecommunications, the Department of Medicine and Surgery, field facilities, the Small Business Administration, and OSDBU, a total of seven telephone system replacement contracts were awarded under the 8(a) program to three firms for a total dollar value of \$6.2 million. With continued cooperation, FY 1989 will likely produce greater accomplishment for the VA's socioeconomic program.

Another program accomplishment was the award of six 8(a) contracts for Automatic Data Processing (ADP) support services. ADP support services were provided to VA offices through technical competition among the six firms selected.

OSDBU also promoted VA business opportunities to women-owned firms by mailing VA procurement information to organizations representing women entrepreneurs, participating in business conferences and training programs for women-owned businesses, and creating program awareness among VA procurement activities through the establishment and monitoring of goals for contract awards to women-owned businesses.

Opportunities for Veterans in Business

Consistent with the overall mission of the VA of providing medical care and benefits to those who served in the armed forces, the VA's procurement activities are required to actively seek out veterans in business and assist them in competing for VA acquisition opportunities.

Business opportunities for Vietnam era and disabled veterans are many. The VA represents a \$4 billion market for contractors in such areas as building construction, maintenance, supply, equipment repair, and other products and services as needed. During FY 1988, the VA raised its small business procurement by 63 percent over FY 1987 levels with contracts totaling nearly \$1.1 billion.

This increase in small business participation creates greater opportunities for veterans in business. The VA's Office of Small and Disadvantaged Business Utilization has developed an ongoing assistance program that not only provides informational assistance, but also monitors the procurement activities directed to veterans by the numerous VA medical centers.

Since the Veterans Outreach Program was created in 1984, more than 40,000 contracts with a value of over \$115 million have been awarded to Vietnam era and disabled veterans. By continuing to participate at veterans conferences and workshops, and by counseling veterans on how to do business with the Agency, the VA hopes to increase the number of contracts awarded to veteran-owned businesses.

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TABLE 1

VETERAN POPULATION

Estimated Number of Veterans Living in the U. S. and Puerto Rico, by Age and Period of Service
September 30, 1988
(In thousands)

Age	Total Veterans	Wartime Veterans							Peacetime Veterans			
		Total ¹	Vietnam Era		Korean Conflict		World War II ^{3,4}	World War I	Total	Post-Vietnam Era ⁵	Service Between Korean Conflict and Vietnam Era Only	Other Peacetime ⁶
			Total ^{2,3}	No Prior Wartime Service	Total ^{2,3,4}	No Prior Wartime Service ²						
All Ages	27,279#	21,268#	8,277	7,669	4,960	4,041	9,444	114	6,011	2,695	2,967	348
Under 20 yrs.	*	—	—	—	—	—	—	—	*	*	—	—
20–24 years	309	—	—	—	—	—	—	—	309	309	—	—
25–29 years	1,111	12	12	12	—	—	—	—	1,099	1,099	—	—
30–34 years	1,641	690	690	690	—	—	—	—	951	951	—	—
35–39 years	2,388	2,147	2,147	2,147	—	—	—	—	240	238	3	—
40–44 years	3,448	3,252	3,252	3,252	—	—	—	—	196	51	145	—
45–49 years	2,502	1,256	1,242	1,241	15	15	—	—	1,246	24	1,222	—
50–54 years	2,592	1,199	370	256	943	943	—	—	1,393	15	1,357	21
55–59 years	3,237	2,929	279	53	2,693	2,608	269	—	308	6	210	91
60–64 years	3,619	3,547	147	13	797	421	3,113	—	72	*	19	53
65–69 years	3,337	3,298	89	5	302	32	3,262	—	39	—	6	33
70–74 years	1,806	1,763	36	1	137	13	1,750	—	43	—	3	40
75–79 years	773	727	10	*	49	6	720	—	46	—	2	44
80–84 years	311	273	3	—	18	3	270	—	38	—	1	37
85 yrs. & over	204	175	1	—	5	1	60	114	29	—	*	28
Median age ⁷	54.4	58.6	41.7	41.3	57.8	57.0	66.9	91.6	46.3	29.8	50.3	66.2

¹ Veterans who served in more than one wartime period are counted only once. Total wartime equals the sum of Vietnam era (no prior wartime service), Korean conflict (no prior wartime service), World War II, and World War I.

² Includes 339 (thousand) who served in both the Korean conflict and the Vietnam era.

³ Includes 269 (thousand) who served in the Vietnam era, Korean conflict, and World War II.

⁴ Includes 649 (thousand) who served in both World War II and the Korean conflict.

⁵ Service only after May 7, 1975.

⁶ Includes those who served only between World War I and World War II, and those who served only between World War II and the Korean conflict.

⁷ Computed from data by single year of age.

* There is also 1 living Spanish-American War veteran and an estimated 65 living Mexican Border conflict veterans.

* Less than 0.5 (thousand).

NOTE: Excluded are 487,000 veterans whose only active-duty military service occurred since September 8, 1980, and who failed to satisfy the minimum service requirement. Also excluded are a small indeterminate number of National Guard personnel or reservists who incurred service-connected disabilities while on an initial tour of active duty for training only. Detail may not add to total shown due to rounding.

VETERAN POPULATION

TABLE 2

Estimated Number of Veterans Living in the U.S. and Puerto Rico, by State and Period of Service September 30, 1988 (In thousands)

State	Total Veterans	Veterans per 1,000 Civilian Pop. Age 18 and Over	Wartime Veterans							Peacetime Veterans			
			Total ¹	Vietnam Era		Korean Conflict		World War II ^{3,4}	World War I	Total	Post-Vietnam Era ⁵	Service Between Korean Conflict and Vietnam Era Only	Other Peace-time ⁶
				Total ^{2,3}	No Prior Wartime Service	Total ^{2,3,4}	No Prior Wartime Service ²						
Total	27,279#	X	21,268#	8,277	7,669	4,960	4,041	9,444	114	6,011	2,695	2,967	348
State Total	27,155	152.4	21,175	8,242	7,636	4,925	4,010	9,415	113	5,980	2,677	2,956	347
Alabama	402	136.8	314	122	109	83	66	137	2	89	39	43	7
Alaska	73	221.1	57	35	33	11	10	14	*	16	6	9	*
Arizona	411	168.4	325	130	115	75	55	153	2	86	43	39	5
Arkansas	266	153.9	205	81	72	47	36	96	1	61	29	28	4
California	2,811	140.2	2,238	903	820	564	423	983	12	573	226	307	41
Colorado	397	167.0	310	155	139	74	58	111	1	88	40	44	3
Connecticut	388	159.2	307	104	100	73	61	144	2	81	30	46	4
Delaware	77	162.7	60	23	21	14	11	27	*	18	9	8	1
District Of Columbia ..	57	118.0	44	15	14	12	9	21	*	12	6	5	1
Florida	1,492	161.9	1,204	410	347	284	197	651	9	288	135	127	26
Georgia	652	147.7	496	233	208	120	93	193	2	157	78	69	9
Hawaii	101	136.9	79	37	32	20	15	32	*	22	10	11	1
Idaho	116	169.1	90	39	37	20	16	37	*	26	12	13	1
Illinois	1,233	144.9	958	342	333	214	189	431	5	275	115	145	15
Indiana	640	157.8	477	188	182	108	96	197	3	163	81	75	7
Iowa	332	157.9	258	102	99	57	52	105	2	73	35	35	3
Kansas	283	157.0	226	89	83	51	42	99	2	57	24	30	3
Kentucky	363	134.6	284	109	102	66	56	123	2	79	34	40	5
Louisiana	429	137.5	331	137	127	75	60	143	1	97	45	46	7
Maine	154	176.0	120	47	44	28	23	52	1	34	17	16	1
Maryland	525	156.4	406	163	148	103	80	176	2	119	53	59	6
Massachusetts	676	149.9	534	171	163	123	102	265	4	141	60	75	7
Michigan	1,007	149.7	756	303	296	164	148	309	4	251	125	115	11
Minnesota	489	156.2	378	156	152	84	75	149	3	112	48	59	4
Mississippi	232	128.3	180	66	58	45	36	85	1	52	24	24	4
Missouri	629	166.5	489	187	176	116	97	214	3	140	65	68	8
Montana	106	181.8	83	36	35	17	15	33	1	23	10	12	1
Nebraska	185	159.8	144	57	53	35	30	60	1	40	18	21	2
Nevada	138	185.8	108	48	42	29	22	45	*	30	12	17	1
New Hampshire	141	180.1	109	47	43	25	21	45	1	32	15	16	1
New Jersey	875	150.4	691	214	204	161	139	344	4	185	69	103	12
New Mexico	173	166.9	135	60	54	31	24	56	1	38	20	16	2
New York	1,829	136.1	1,423	442	431	316	282	701	8	407	177	203	26
North Carolina	684	146.2	534	208	187	126	104	241	2	150	71	69	10
North Dakota	72	152.4	55	24	23	12	11	20	*	17	8	9	*
Ohio	1,285	162.1	980	362	350	212	187	438	5	306	149	142	15
Oklahoma	401	170.8	319	139	128	73	57	133	2	81	35	41	5
Oregon	345	169.4	271	117	111	56	45	113	2	74	32	38	4
Pennsylvania	1,508	166.4	1,182	389	375	258	222	579	6	326	138	170	18
Rhode Island	118	157.3	95	32	30	22	18	47	1	23	10	11	2
South Carolina	352	145.3	273	118	102	68	52	117	1	79	37	36	6
South Dakota	78	154.5	61	23	21	15	14	25	1	18	9	9	*
Tennessee	522	145.6	403	167	154	91	76	171	2	119	56	56	8
Texas	1,791	153.5	1,393	641	581	319	248	558	6	398	184	191	23
Utah	154	147.2	122	53	50	27	22	49	1	31	13	17	1
Vermont	63	155.4	47	20	19	11	9	19	*	16	8	7	1
Virginia	668	156.5	516	225	189	142	102	222	2	152	72	71	9
Washington	588	177.5	462	217	195	111	82	182	2	126	54	65	6
West Virginia	222	157.6	173	65	61	37	32	80	1	48	23	23	3
Wisconsin	561	158.7	423	170	165	91	81	174	3	138	62	71	5
Wyoming	59	172.8	46	23	22	10	8	16	*	12	5	7	*
Puerto Rico	124	X	93	35	33	34	31	29	*	31	18	11	1

NOTE: Veterans per 1,000 civilian population age 18 and over are based on civilian population estimates for July 1, 1987, provided by the U.S. Department of Commerce, Bureau of the Census.

Refer to the footnotes at the end of the table 1, titled "Estimated Number of Veterans Living in the U.S. and Puerto Rico, by Age and Period of Service."

X Not applicable.

TABLE 3

Hospital and Extended Care by Type of Facility—Fiscal Year 1988

Facility	Average Operating Beds ^{1,2}	Occupancy Rate % ³	Average Daily Census ⁴	Admissions ⁵	Discharges and Deaths ⁵	Patients Treated ⁶	Patients Remaining September 30, 1988
Total	93,461	....	95,673	1,131,338	1,130,720	1,224,375	93,655
Total Hospital Care .....	.....	....	53,171	1,066,949	1,066,138	1,116,681	50,543
VA Total	73,913	70.5	52,111	1,037,569	1,036,760	1,086,456	49,696
Medical	38,124	74.4	28,351	568,737	554,224	581,375	27,151
Surgical	13,630	57.0	7,769	282,891	283,518	290,569	7,051
Psychiatric	22,159	72.2	15,991	185,941	199,018	214,512	15,494
Non-VA (contract) .....	.....	....	571	27,022	27,013	27,377	364
State Home .....	.....	....	489	2,358	2,365	2,848	483
Total Domiciliary Care .....	.....	....	10,087	13,481	13,302	24,018	10,716
VA	7,403	81.9	6,061	10,273	9,891	16,607	6,716
State Home .....	.....	....	4,026	3,208	3,411	7,411	4,000
Total Nursing Home Care ...	.....	....	32,415	50,908	51,280	83,676	32,396
VA	12,145	93.4	11,344	15,932	15,240	27,220	11,980
Community .....	.....	....	12,405	29,350	30,567	42,232	11,665
State Home .....	.....	....	8,666	5,626	5,473	14,224	8,751

¹ Monthly average based on the number of operating beds as of the last day of 13 consecutive months, September prior fiscal year through September current fiscal year. Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.

² Operating beds not reported for non-VA facilities.

³ Average daily census as a percent of average operating beds.

⁴ Total patient days during the year divided by the number of days in the year.

⁵ Excludes inter- and intra-VA hospital admissions and discharges.

⁶ Discharges and deaths plus patients remaining.

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

Location of VA Facility	Inpatient Care—Patients Treated ¹						Ambulatory Care						
	Hospitals			Nursing Homes			Domiciliaries		Medical Visits		Dental Care		
	VAMC Hospital Care Component	Non-VA ^{2,3}	State Home ^{2,4}	VAMC Nursing Home Care Component	Community ^{2,3}	State Home ^{2,4}	VAMC Dom. Care Component	State Home ^{2,4}	VA Staff	Fee Basis ^{2,5}	Visits	Treat-ment Cases Com-pleted	Net Cases Author-ized ^{2,7}
Total All Stations	1,086,456	27,377	2,848	27,220	42,232	14,224	16,607	7,411	21,473,403	1,759,492	573,164	104,790	16,792
Alabama:													
Birmingham	9,143	.....	.....	.....	269	.....	.....	.....	141,933	.....	10,555	1,763	.....
Montgomery	3,442	254	.....	.....	61	.....	.....	.....	31,670	37,995	2,575	385	162
Tuscaloosa	4,600	7	.....	164	164	.....	.....	.....	61,839	.....	846	316	.....
Tuskegee	7,003	1	.....	195	110	.....	.....	.....	62,240	.....	1,432	424	.....
Alaska: Anchorage (RO-OC)	.....	4,771	.....	.....	147	.....	.....	.....	19,163	69,117	.....	.....	201
Arizona:													
Phoenix	11,516	231	.....	291	479	.....	.....	.....	186,003	29,715	5,590	1,709	235
Prescott	3,470	24	.....	.....	219	.....	903	.....	78,587	.....	876	200	.....
Tucson	7,511	10	.....	71	347	.....	.....	.....	174,857	.....	3,656	696	.....
Arkansas:													
Fayetteville	4,435	1	.....	.....	67	.....	.....	.....	52,602	.....	2,293	772	.....
Little Rock ⁸	18,792	377	.....	279	645	.....	100	107	221,899	47,302	5,837	1,319	493
Little Rock Div.	18,792	377	.....	279	645	.....	100	107	142,374	47,302	4,422	1,040	493
No. Little Rock Div.	.....	.....	.....	.....	.....	.....	.....	.....	79,525	.....	1,415	279	.....
California:													
Fresno	5,239	18	.....	261	136	.....	.....	.....	106,454	.....	2,549	757	.....
Livermore	1,636	.....	.....	185	74	.....	.....	.....	39,055	.....	1,768	274	.....
Loma Linda	9,190	32	.....	291	337	.....	.....	.....	194,676	.....	7,904	1,458	.....
Long Beach	15,928	12	.....	441	455	.....	.....	.....	330,816	.....	6,734	717	.....
Los Angeles (OC)	.....	563	.....	.....	.....	.....	.....	.....	180,108	63,314	3,613	902	644
Martinez	8,320	12	.....	.....	274	.....	.....	.....	246,101	.....	7,844	1,530	.....
Palo Alto ⁸	11,389	.....	.....	826	373	.....	110	.....	244,487	.....	3,171	724	.....
Palo Alto Div.	11,389	.....	.....	826	373	.....	110	.....	134,454	.....	2,921	675	.....
Menlo Park Div.	.....	.....	.....	.....	.....	.....	.....	.....	110,033	.....	250	49	.....
San Diego	9,810	78	.....	224	188	.....	.....	.....	241,693	13,605	9,971	2,698	55
San Francisco	8,561	775	655	519	251	1,264	.....	1,246	171,690	64,103	7,211	947	829
Sepulveda	7,706	.....	.....	119	227	.....	.....	.....	250,218	.....	4,842	925	.....
West Los Angeles ⁸	15,902	17	.....	119	626	.....	675	.....	404,641	.....	2,974	304	.....
West L.A.—Wadsworth Div.	15,902	17	.....	119	626	.....	675	.....	228,362	.....	2,348	180	.....
West L.A.—Brentwood Div.	.....	.....	.....	.....	.....	.....	.....	.....	176,279	.....	626	124	.....
Colorado:													
Denver	8,259	164	.....	345	265	281	.....	124	196,870	19,859	7,737	857	23
Ft. Lyon	1,707	15	.....	133	85	.....	.....	.....	37,641	.....	586	232	.....
Grand Junction	3,014	.....	.....	85	115	.....	.....	.....	31,432	.....	421	91	.....
Connecticut:													
Newington	3,157	100	893	.....	97	.....	.....	854	70,867	15,229	3,153	520	68
West Haven	5,685	.....	.....	161	133	.....	.....	.....	134,040	.....	1,912	366	.....
Delaware: Wilmington	3,890	24	.....	162	250	534	.....	.....	73,679	403	3,744	568	3
District of Columbia: Washington	9,629	76	.....	204	243	194	.....	180	220,696	1,030	8,395	860	222

See footnotes at end of table.

TABLE 4—Continued

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

HEALTH CARE

Location of VA Facility	Inpatient Care—Patients Treated ¹										Ambulatory Care		
	Hospitals			Nursing Homes			Domiciliaries		Medical Visits		Dental Care		Fee Basis
	VAMC Hospital Care Component	Non-VA ^{2,3}	State Home ^{2,4}	VAMC Nursing Home Care Component	Community ^{2,3}	State Home ^{2,4}	VAMC Dom. Care Component	State Home ^{2,4}	VA Staff	Fee Basis ^{5,6}	Visits	Treatment Cases Completed	Net Cases Authorized ⁷
Florida:													
Bay Pines	13,107	2,178	.....	717	705	.....	622	.....	221,404	91,151	12,642	2,664	1,464
Gainesville	10,296	49	.....	225	277	.....	.....	.....	217,913	.....	9,579	1,623	.....
Lake City	6,974	2	.....	219	64	.....	.....	.....	42,440	.....	1,051	248	.....
Miami	12,916	351	.....	515	595	.....	.....	.....	373,845	.....	12,130	2,349	.....
Tampa	11,800	73	.....	285	647	.....	.....	.....	314,761	.....	9,777	1,961	.....
Georgia:													
Atlanta	9,950	398	.....	209	512	.....	.....	.....	158,810	36,633	7,166	1,552	865
Augusta ⁸	11,044	9	.....	71	473	338	.....	.....	118,746	.....	2,185	643	.....
Augusta	11,044	9	.....	71	473	338	.....	.....	83,195	.....	1,649	470	.....
Lenwood Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	35,551	.....	536	173	.....
Dublin	5,364	.....	.....	121	308	277	721	262	82,647	.....	1,232	369	.....
Hawaii: Honolulu (RO-OC) .....	.....	2,365	.....	.....	79	.....	.....	.....	54,905	18,180	2,291	661	49
Idaho: Boise	3,625	95	.....	230	144	116	.....	134	75,276	13,074	1,793	390	194
Illinois:													
Chicago (Lakeside)	8,178	.....	.....	.....	416	.....	.....	.....	160,042	.....	1,123	215	.....
Chicago (West Side)	10,805	290	.....	.....	511	.....	.....	.....	277,509	70,771	6,139	640	376
Danville	6,741	20	.....	516	176	.....	.....	.....	124,639	.....	2,756	660	.....
Hines	18,145	3	.....	692	852	340	.....	.....	268,273	.....	2,871	292	.....
Marion	6,403	.....	.....	168	220	.....	.....	.....	70,203	.....	1,329	411	.....
North Chicago	6,218	1	.....	246	423	.....	107	.....	202,821	.....	1,257	156	.....
Indiana:													
Ft. Wayne	3,743	.....	.....	117	229	.....	.....	.....	29,793	.....	1,197	353	.....
Indianapolis ⁹	9,929	657	.....	292	370	424	.....	91	154,097	23,591	4,318	812	147
Cold Spring Road Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	27,588	.....	.....	.....	.....
West Tenth Street Div.	9,929	657	.....	292	370	424	.....	91	126,509	23,591	4,318	812	147
Marion	3,231	.....	.....	116	211	.....	.....	.....	63,703	.....	1,166	202	.....
Iowa:													
Des Moines	5,916	41	248	.....	227	.....	.....	151	92,403	27,480	1,926	596	493
Iowa City	7,105	120	291	.....	363	.....	.....	133	79,399	.....	2,116	498	.....
Knoxville	3,361	.....	.....	250	114	.....	.....	.....	43,801	.....	436	115	.....
Kansas:													
Leavenworth	5,502	13	.....	78	313	.....	1,240	.....	124,830	.....	610	64	.....
Topeka	6,051	11	.....	107	245	.....	.....	.....	128,208	.....	2,557	475	.....
Wichita	4,637	125	.....	203	295	92	.....	88	74,610	17,035	1,545	413	159
Kentucky:													
Lexington ⁸	9,846	124	.....	178	313	.....	.....	.....	125,042	.....	3,441	561	.....
Leestown Div.	9,846	124	.....	178	313	.....	.....	.....	52,250	.....	798	135	.....
Cooper Drive Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	72,792	.....	2,643	426	.....
Louisville	9,447	102	.....	.....	356	.....	.....	.....	115,903	17,254	3,572	822	112
Louisiana:													
Alexandria	5,736	.....	.....	445	189	.....	.....	.....	73,878	.....	1,142	167	.....

See footnotes at end of table.

TABLE 4—Continued
Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

	Inpatient Care—Patients Treated ¹						Ambulatory Care								
	Hospitals			Nursing Homes			Domiciliaries		Medical Visits		Dental Care				
	VAMC Hospital Care Component	Non-VA ^{2,3}	State Home ^{2,4}	VAMC Nursing Home Care Component	Community ^{2,3}	State Home ^{2,4}	VAMC Dom. Care Component	State Home ^{2,4}	VA Staff	Fee Basis ^{2,5}	Visits	Treat-ment Cases Com-pleted	VA Staff ⁶	Fee Basis	
Location of VA Facility	New Orleans	9,235	351	.....	.....	340	186	.....	126	246,066	20,791	5,052	940	.....	64
	Shreveport	9,176	71	.....	.....	460	.....	.....	.....	103,781	34,266	3,145	851	.....	125
	Maine: Togus	5,577	193	.....	134	201	145	.....	.....	90,087	28,762	2,219	650	.....	235
	Maryland:														
	Baltimore	6,161	66	.....	.....	169	.....	.....	.....	159,763	10,687	3,358	741	.....	168
	Baltimore	6,161	66	.....	.....	169	.....	.....	.....	105,957	10,687	1,311	237	.....	.....
	Baltimore (OCMC)	.....	.....	.....	.....	.....	.....	.....	.....	53,806	.....	2,047	504	.....	168
	Ft. Howard	1,808	5	.....	61	44	.....	.....	.....	28,386	.....	276	44	.....	.....
	Perry Point	3,892	4	.....	130	166	.....	.....	.....	56,940	.....	1,093	147	.....	.....
	Massachusetts:														
	Bedford	2,841	19	.....	188	168	.....	.....	.....	105,186	.....	3,166	439	.....	.....
	Boston	8,357	.....	.....	.....	276	.....	.....	.....	185,110	.....	2,773	431	.....	.....
	Boston (OC)	.....	158	576	.....	.....	111	506	194,690	51,459	10,590	1,108	1,108	.....	213
	Brockton ^a	8,537	.....	.....	209	311	.....	.....	.....	202,358	.....	8,947	1,044	.....	.....
	Brockton Div.	8,537	.....	.....	209	311	.....	.....	.....	118,219	.....	5,185	553	.....	.....
	West Roxbury Div.	.....	.....	.....	.....	.....	.....	.....	.....	84,139	.....	3,762	491	.....	.....
	Northampton	3,016	11	179	82	135	381	53	98,949	.....	1,670	.....	482	.....	.....
	Michigan:														
	Allen Park	9,209	326	.....	152	323	772	198	211,192	21,270	4,290	404	404	.....	299
	Ann Arbor	8,501	15	.....	428	235	.....	.....	.....	.....	151,590	.....	4,751	1,128	.....
Battle Creek	6,642	32	.....	308	325	.....	.....	.....	.....	113,761	.....	2,552	770	.....
Iron Mountain	4,142	4	.....	214	77	141	99	34,772	1,973	489	117	117	.....	78	
Saginaw	3,805	.....	.....	204	359	.....	.....	.....	.....	52,219	.....	1,049	414	.....	.....
Minnesota:															
Minneapolis	16,737	1,175	.....	72	1,112	403	422	278,434	53,762	3,940	508	508	.....	362	
St. Cloud	3,567	23	.....	200	207	.....	.....	72,494	.....	844	185	185	.....	.....	.....
Mississippi:															
Biloxi ^b	8,325	.....	.....	48	335	.....	549	190,112	.....	5,581	1,435	1,435	.....	.....	.....
Biloxi Div.	8,325	.....	.....	48	335	.....	549	85,914	.....	1,537	446	446	.....	.....	.....
Gulfport Div.	.....	.....	.....	.....	.....	.....	.....	104,198	.....	4,044	989	989	.....	.....	.....
Jackson	11,178	61	.....	282	318	.....	.....	116,164	29,633	3,185	722	722	.....	211	.....
Missouri:															
Columbia	7,823	3	.....	88	293	.....	.....	83,333	.....	1,512	381	381	.....	.....	.....
Kansas City	9,173	226	.....	.....	431	.....	.....	147,799	43,596	2,235	518	518	.....	9	.....
Poplar Bluff	3,801	1	.....	70	132	.....	.....	38,137	.....	1,467	404	404	.....	.....	.....
St. Louis ^b	14,841	38	.....	594	402	698	92	260,647	9,501	3,314	581	581	.....	.....	.....
John Cochran Div.	14,841	38	.....	594	402	698	92	183,216	9,501	1,603	305	305	.....	.....	.....
Jefferson Barracks Div.	.....	.....	.....	.....	.....	.....	.....	77,431	.....	1,711	276	276	.....	.....	.....
Montana:															
Ft. Harrison	3,952	67	.....	.....	185	120	74	32,860	19,573	685	125	125	.....	240	.....
Miles City	3,031	4	.....	37	81	.....	.....	24,679	.....	70	25	25	.....	.....	.....

See footnotes at end of table.

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

See footnotes at end of table.

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

TABLE 4—Continued

Location of VA Facility	Inpatient Care—Patients Treated ¹										Ambulatory Care				
	Hospitals			Nursing Homes			Domiciliaries		Medical Visits		Dental Care				
	VAMC Hospital Care Component	Non-VA ^{2,3}	State Home ^{2,4}	VAMC Nursing Home Care Component	Community ^{2,3}	State Home ^{2,4}	VAMC Dom. Care Component	State Home ^{2,4}	VA Staff	Fee Basis ^{2,5}	Visits		Treatment Cases Completed		Net Cases Authorized ^{2,7}
											VA Staff ⁶	Fee Basis			
Cleveland ⁶	13,108	121	.....	351	377	394	261	337	288,611	12,075	6,397	1,126	25	
Wade Park Div.	13,108	121	.....	351	377	394	261	337	162,630	12,075	3,377	558	.....	
Brecksville Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	125,981	.....	3,020	568	25
Columbus (OC) .....	.....	374	.....	.....	.....	.....	.....	.....	122,068	10,035	4,071	915	57
Dayton	8,589	2	.....	409	280	.....	1,103	.....	151,395	.....	4,060	608	.....	
Oklahoma:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Muskogee	4,800	297	.....	.....	321	.....	.....	.....	148,395	35,169	5,100	1,314	189
Oklahoma City	10,461	23	6	.....	517	1,482	.....	160	187,426	.....	3,997	920	.....	
Oregon:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Portland ⁶	12,998	326	.....	436	524	.....	117	.....	226,310	34,060	4,366	865	405
Portland	12,998	326	.....	436	524	.....	117	.....	135,470	34,060	3,743	779	405
Vancouver (WA) Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	24,854	.....	623	86	.....	
Portland (OCMC) .....	.....	.....	.....	.....	.....	.....	.....	.....	65,986	.....	.....	.....	.....
Roseburg	4,708	3	.....	128	257	.....	.....	.....	50,725	.....	698	147	.....	
White City (Ind. Dom.) .....	.....	55	.....	.....	20	.....	1,803	.....	19,168	.....	730	140	.....	
Pennsylvania:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Altoona	2,457	72	.....	21	146	387	.....	302	40,666	10,657	898	305	2
Butler	2,746	2	.....	201	141	.....	194	.....	57,959	3,047	920	287	21
Coatesville	4,632	15	.....	207	428	.....	172	.....	63,127	1,273	472	125	.....	
Erie	3,019	38	.....	110	102	99	.....	74	53,136	1,729	1,412	280	15
Lebanon	4,175	98	.....	260	389	.....	.....	.....	80,950	19,389	2,186	345	235
Philadelphia	6,884	334	.....	.....	387	.....	.....	.....	229,237	14,225	5,940	758	103
Pittsburgh (Highland Dr.)	4,061	38	.....	.....	321	.....	.....	.....	80,003	2,813	3,585	512	23
Pittsburgh (Univ. Dr.) ⁶	9,111	10	.....	469	505	.....	.....	.....	128,273	13,411	2,547	351	1
Pittsburgh (Univ. Dr.) Div.	9,111	10	.....	469	505	.....	.....	.....	127,511	13,411	2,168	283	1
Aspinwall Div. ....	.....	.....	.....	.....	.....	.....	.....	.....	762	.....	379	68	.....	
Wilkes-Barre	7,529	167	.....	162	208	.....	.....	.....	162,954	22,177	9,150	1,097	143
Philippines: Manila (RO-OC) .....	.....	1,092	.....	.....	.....	.....	.....	.....	7,178	400	.....	.....	.....
Puerto Rico: San Juan	13,632	718	.....	.....	286	.....	.....	.....	337,884	53,865	9,078	1,487	422
Rhode Island: Providence	4,988	64	.....	.....	195	290	.....	50	148,435	17,733	4,078	1,064	90
South Carolina:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Charleston	7,146	1	.....	.....	175	.....	.....	.....	94,607	.....	2,749	219	.....	
Columbia	8,882	216	.....	233	238	243	.....	.....	141,724	15,839	5,689	1,338	11
South Dakota:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Ft. Meade	3,658	.....	.....	.....	87	.....	.....	.....	43,270	.....	802	254	.....	
Hot Springs	2,351	.....	.....	.....	35	39	886	78	72,332	.....	400	75	.....	
Sioux Falls	4,663	37	.....	209	190	.....	.....	.....	58,824	10,101	589	217	130
Tennessee:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Memphis	13,747	.....	.....	623	306	.....	.....	.....	186,328	.....	5,088	911	.....	
Mountain Home	7,895	7	.....	119	390	.....	1,116	.....	150,662	.....	2,865	370	.....	
Murfreesboro	5,615	13	.....	72	202	.....	.....	.....	89,294	.....	2,162	279	.....	
Nashville	8,618	159	.....	.....	246	.....	.....	.....	134,126	24,463	5,606	1,567	865

Source: Hospitalizations are based on fiscal year.

TABLE 4—Continued

HEALTH CARE

TABLE 4—Continued

Inpatient and Ambulatory Care: Program Summary—Fiscal Year 1988

HEALTH CARE

Location of VA Facility	Inpatient Care—Patients Treated ¹					Ambulatory Care				
	Hospitals		Nursing Homes		Domiciliaries	Medical Visits		Dental Care		Fee Basis
	VAMC Hospital Care Component	Non-VA ^{2,3}	State Home ^{2,4}	VAMC Nursing Home Component	Community ^{2,3}	State Home ^{2,4}	VAMC Staff	VA Staff ⁶	Treat-ment Cases Com-pleted	
Texas:										
Amarillo	3,748	362	.....	.....	246	.....	93,635	1,299	347	317
Big Spring	3,826	.....	.....	92	185	.....	29,300	1,006	104	.....
Bonham	2,403	.....	.....	156	203	.....	47,594	1,106	319	.....
Dallas	15,553	116	.....	332	520	.....	246,589	28,215	1,128	290
El Paso (OC) .....	.....	1,006	.....	328	.....	.....	65,256	9,881	474	821
Houston	18,477	47	.....	201	398	.....	322,443	5,080	1,223	85
Kerville	4,500	.....	.....	37	168	.....	37,088	722	310	.....
Marlin	2,806	.....	.....	133	72	.....	14,857	232	121	.....
San Antonio	15,002	198	.....	272	588	.....	252,005	7,621	1,151	316
Temple	10,440	6	.....	112	365	.....	155,204	5,793	1,159	.....
Waco	4,377	69	.....	62	270	.....	79,982	2,917	686	46
Utah: Salt Lake City	8,510	53	.....	216	364	.....	155,694	3,903	867	57
Vermont: White River Junction	4,045	81	.....	206	96	326	68,579	1,458	220	50
Virginia:										
Hampton	6,291	18	.....	338	206	.....	154,713	5,729	531	.....
Richmond	11,650	12	.....	201	219	.....	210,821	5,245	1,288	.....
Salem	8,003	278	.....	167	161	.....	144,248	1,966	513	283
Washington:										
American Lake (Tacoma)	4,164	198	.....	103	276	.....	113,560	4,250	881	.....
Seattle	9,220	371	.....	354	682	467	213,076	4,137	916	392
Spokane	3,882	10	.....	200	187	.....	58,159	2,134	432	.....
Walla Walla	2,606	3	.....	.....	145	.....	34,327	567	180	.....
West Virginia:										
Beckley	3,528	3	.....	53	112	.....	33,429	1,380	89	.....
Clarksburg	4,641	2	.....	.....	357	.....	46,312	1,344	215	.....
Huntington	4,487	150	.....	.....	336	.....	66,528	1,762	571	18
Martinsburg	6,419	14	.....	171	280	.....	165,913	2,094	110	9
Wisconsin:										
Madison	6,208	4	.....	.....	207	462	70,009	1,725	184	.....
Tomah	3,343	2	.....	156	239	.....	42,232	566	94	.....
Wood	10,886	207	.....	498	274	.....	273,780	6,036	787	959
Wyoming:										
Cheyenne	2,582	23	.....	71	111	.....	30,012	794	133	102
Sheridan	2,469	13	.....	.....	66	.....	26,442	226	5	.....

¹ Based on the number of discharges and deaths during FY 1988, plus the number on the rolls (bed occupants and patients on authorized leave of absence) on September 30, 1988. Excludes interhospital transfers.² As reported by VA authorizing facility.³ Authorized and paid for by VA.⁴ Supported by VA.⁵ Medical visits to private physicians authorized by VA on a fee-for-service basis.⁶ Includes terminations for treatment cases completed. Visits represent a count of patients receiving dental care (exam/treatment) for a service-connected or adjunct dental condition. One visit per day.⁷ Net number of dental cases authorized by VA to private dentists on a fee-for-service basis.⁸ Includes data for two divisions of the VA medical center.

NOTE: The following abbreviations are used to denote type of facility: OC (outpatient clinic—Independent); OCMC (outpatient clinic under jurisdiction of medical center, but not physically located in a medical center); RO-OC (regional office outpatient clinic); and Ind. Dom. (Independent domiciliary). Data previously reported for OCS (outpatient clinic satellite or substation) are now included in the parent station.

HEALTH CARE

TABLE 5

Applications For Medical Care (Means Test)—Fiscal Year 1988

Item	Total Applications Received ¹	Disposition				
		Hospital	Nursing Home Care	Domiciliary	Outpatient Care	All Others ²
Total applications	2,921,926	.....	.....	.....	.....	.....
Veterans Total	2,885,065	695,310	6,736	8,418	2,004,118	178,132
Category A Total	2,705,084	657,300	6,202	8,285	1,875,053	96,111
Service-connected	1,128,450	249,056	2,736	2,686	811,567	67,106
Low Income	1,152,155	79,388	2,089	4,422	793,509	73,433
Other Category A ³	424,479	328,856	1,377	1,177	269,977	25,572
Category B	99,038	21,260	217	95	71,784	5,754
Category C	80,943	16,750	317	38	57,281	6,267
Not agreeing to deductible ..	35	.....	.....	.....	.....	.....
Nonveterans	36,861	.....	.....	.....	.....	.....

¹ Applications Received does not equal Total Disposition due to Pending Beginning of FY.

² Medically Examined, No Further Care Required; Cancelled, Ineligible, Modality Not Available; Referred To Other Facility and Pending Evaluation.

³ Includes former POWs, veterans exposed to agent orange/ionizing radiation, World War I and Spanish American Veterans, VA Pensioners, and Medicaid Recipients.

HEALTH CARE

TABLE 6

Total Health Care: Obligations by Program and Appropriation—Fiscal Year 1988

Item	Obligations (in thousands)	
	FY 1988	FY 1987
Total	\$10,540,428	\$9,959,382
Medical care	10,229,745	9,673,238
Inpatient care	6,805,343	6,528,100
Hospitals	5,711,583	5,532,191
VA hospitals ¹	5,517,161	5,366,462
Contract hospitals	190,226	162,431
State home hospitals	4,196	3,298
Nursing homes	953,641	872,780
VA nursing homes ¹	534,514	492,810
Community nursing homes	353,484	325,677
State nursing homes	65,643	54,293
Domiciliaries	140,119	123,129
VA domiciliaries ¹	124,840	109,205
State domiciliaries	15,279	13,924
Outpatient care (staff and fee)	2,318,071	2,075,814
CHAMPVA	100,058	101,080
Education and training	543,506	520,980
Miscellaneous benefits and services	462,767	447,264
Medical administration and miscellaneous operating expenses	46,619	41,504
Medical administration	39,635	41,504
Health professional scholarship	6,984	.....
Medical and prosthetic research	215,315	209,529
Medical research	186,037	189,139
Rehabilitative research	20,485	17,585
Health services research	8,793	2,805
Other medical programs ²	48,749	35,111

¹ Excludes Education and Training, which is separately identified.

² Does not include revolving or trust funds.

TABLE 7

VA and Non-VA Facilities: Average Obligations—Fiscal Years 1987–1988

Type of Facility	Average Obligations per Patient Treated		Average Obligations per Patient Day	
	FY 1988	FY 1987	FY 1988	FY 1987
VA hospitals				
All bed sections	5,078	4,983	289.27	272.95
Medical bed sections	4,373	4,391	365.91	350.82
Surgical bed sections	5,139	4,765	525.19	452.49
Psychiatric bed sections	5,029	5,042	184.32	173.55
Intermediate bed sections	11,925	13,209	156.43	150.04
Non-VA (contract) hospitals ¹	6,697	5,862	877.84	683.01
VA nursing home care units	19,637	19,275	128.74	123.36
Community nursing homes ¹	7,615	7,191	70.83	67.42
VA domiciliaries	7,517	7,726	56.28	51.26
State homes ¹				
Hospital care ²	1,209	897	20.35	15.25
Nursing home care ²	4,359	3,685	20.35	17.05
Domiciliary care ²	1,744	1,620	8.70	7.30

¹ Data for this table are based on direct obligations and exclude support costs.² Per diems impacted by statutory limitations.

INPATIENT CARE

TABLE 8

**VA Medical Centers—Hospital Care Component, Non-VA (Contract), and State Home Hospitals:
Admissions, Discharges, Deaths, and Remaining by Bed Section—Fiscal Year 1988**

Item	Total	Type of Bed Section		
		Medical	Surgical	Psychiatric
ADMISSIONS ¹				
All hospitals	1,066,949	587,537	285,867	191,187
VA medical centers—Total	1,037,569	568,737	282,891	185,941
Non-VA (contract) hospitals—Total	27,022	18,800	2,976	5,246
Federal Government hospitals—Total	2,601	1,700	580	321
Army	2,087	1,225	552	310
Air Force	466	430	28	8
Navy	35	35	.....	.....
Public Health Service	13	10	.....	3
State and local government hospitals	8,063	5,095	1,019	1,949
Non-public hospitals	16,358	12,005	1,377	2,976
State home hospitals	2,358	(²)	(²)	(²)
DISCHARGES AND DEATHS				
All hospitals	1,066,138	572,992	286,515	204,266
VA medical centers—Total	1,036,760	554,224	283,518	199,018
Non-VA (contract) hospitals—Total	27,013	18,768	2,997	5,248
Federal Government hospitals—Total	2,611	1,705	581	325
Army	2,104	1,236	554	314
Air Force	462	427	27	8
Navy	33	33	.....	.....
Public Health Service	12	9	.....	3
State and local government hospitals	8,071	5,108	1,028	1,935
Non-public hospitals	16,331	11,955	1,388	2,988
State home hospitals	2,365	(²)	(²)	(²)
BED OCCUPANTS REMAINING				
Total occupants remaining on September 30, 1988	50,381	27,324	7,075	15,499
VA medical centers—Total	49,536	27,104	7,034	15,398
Non-VA (contract) hospitals—Total	362	220	41	101
Federal Government hospitals—Total	64	34	21	9
Army	52	23	20	9
Air Force	9	8	1	.....
Navy	2	2	.....	.....
Public Health Service	1	1	.....	.....
State and local government hospitals	104	55	7	42
Non-public hospitals	194	131	13	50
State home hospitals	483	(²)	(²)	(²)
ABSENT BED OCCUPANTS REMAINING				
Total absent bed occupants (i.e., patients on leave of absence) remaining on September 30, 1988	162	48	17	97
VA medical centers—Total	160	47	17	96
All other hospitals	2	1	.....	1

¹ Excludes interhospital transfers for VA medical centers; includes transfers for all other hospitals.

² Excludes data by bed section for State Home Hospitals, which are not available.

VA Medical Centers—Hospital Care Component and Non-VA Hospitals (Contract):
Patient Movement By Type of Bed Section—Fiscal Year 1988

	VA Medical Centers				Non-VA (Contract) Hospitals						
	Total	Type of Bed Section ¹		Total	Type of Bed Section			Type of Hospital			
		Medical ²	Surgical		Psychiatric	Medical	Surgical	Psychiatric	Federal ³	State & Local	Non-Public ⁴
Gains—Total	1,284,056	721,012	339,976	223,068	27,095	18,830	3,008	5,257	2,644	8,091	16,360
Admissions	1,037,569	568,737	282,891	185,941	27,022	18,800	2,976	5,246	2,601	8,063	16,358
Transfers in from other hospitals ⁵	33,074	17,288	8,524	7,262	(⁶)	(⁶)	(⁶)	(⁶)	(⁶)	(⁶)	(⁶)
Changes in bed sections (+)	213,413	134,987	48,561	29,865	73	30	32	11	43	28	2
Losses—Total	1,289,326	722,985	342,094	224,247	27,086	18,805	3,027	5,254	2,654	8,099	16,333
Discharges—Total	990,585	513,727	278,001	198,857	26,401	18,220	2,938	5,243	2,511	7,885	16,005
To ambulatory care	635,286	347,790	212,166	75,330	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Other	355,299	165,937	65,835	123,527	26,401	18,220	2,938	5,243	2,511	7,885	16,005
Deaths	46,175	40,497	5,517	161	612	548	59	5	100	186	326
Transfers out to other hospitals ⁵	38,860	23,863	8,899	6,098	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Changes in bed sections (–)	213,706	144,898	49,677	19,131	73	37	30	6	43	28	2
Remaining on September 30, 1988—Total	49,696	27,151	7,051	15,494	364	221	41	102	64	106	194
Bed occupants	49,536	27,104	7,034	15,398	362	220	41	101	64	104	194
On leave of absence	160	47	17	96	2	1	.....	1	.....	2	.....
Patients treated ⁸	1,086,456	581,375	290,569	214,512	27,377	18,989	3,038	5,350	2,675	8,177	16,525
Episodes of care ⁹	1,300,162	726,273	340,246	233,643	27,450	19,026	3,068	5,356	2,718	8,205	16,527
Average daily census ¹⁰	52,111	28,351	7,769	15,991	571	343	76	152	70	184	317
Total	51,305	28,002	7,639	15,664	.....	.....	.....	.....	.....	.....	.....
Excluding days while patients on authorized leave of absence of 96 hours or less											

¹ Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.

² Medical bed sections include medicine, neurology, intermediate care, spinal cord injury, rehabilitation medicine, and blind rehabilitation.

³ Includes Department of Defense and Public Health Service hospitals.

⁴ Includes Veterans Memorial Medical Center, Manila, Republic of the Philippines.

⁵ Includes only patients transferred as VA beneficiaries.

⁶ Included with admissions.

⁷ Included with "other" discharges.

⁸ Based on the number of discharges and deaths during FY 1988, plus the number remaining on the rolls on September 30, 1988.

⁹ Based on the number of discharges and deaths during FY 1988, plus the number remaining on the rolls on September 30, 1988. Interhospital transfers are excluded but intrahospital transfers are included.

¹⁰ Based on the number of patient days divided by the number of days in the fiscal year.

Totals may not add due to rounding.

INPATIENT CARE

TABLE 10

VA Medical Centers—Hospital Care Component: Selected Data—Fiscal Year 1988

Location	Average Operating Beds ¹				Patients Treated Total ²	Episodes of Care ³			Average Daily Census ⁴
	Total	Bed Section ⁵				Medical ⁶	Surgical	Psychiatric	
		Medical ⁶	Surgical	Psychiatric					
All hospitals	73,913	38,124	13,630	22,159	1,086,456	726,273	340,246	233,643	52,111
Alabama:									
Birmingham	399	201	198	.....	9,143	5,702	4,116	.....	227
Montgomery	198	159	39	.....	3,442	2,790	1,241	.....	136
Tuscaloosa	582	229	.....	353	4,600	2,497	.....	3,275	482
Tuskegee	705	361	44	300	7,003	4,738	1,067	2,790	593
Arizona:									
Phoenix	466	206	124	136	11,516	6,169	3,621	2,830	323
Prescott	163	125	8	30	3,470	3,515	.....	496	104
Tucson	302	143	112	47	7,511	5,154	3,127	785	182
Arkansas:									
Fayetteville	180	117	53	10	4,435	3,815	903	426	108
Little Rock ⁷	1,172	478	224	470	18,792	12,785	6,320	4,462	773
California:									
Fresno	197	96	66	35	5,239	2,970	1,654	852	129
Livermore	164	164	.....	.....	1,636	2,414	.....	.....	84
Loma Linda	395	209	127	58	9,190	5,821	3,074	1,078	249
Long Beach	1,018	732	151	135	15,928	11,026	4,885	2,864	668
Martinez	407	212	133	62	8,320	5,461	3,221	1,309	271
Palo Alto ⁷	1,265	419	111	734	11,389	5,181	3,031	4,777	949
San Diego	547	258	188	101	9,810	5,656	3,899	1,692	290
San Francisco	345	122	173	50	8,561	4,130	4,449	899	201
Sepulveda	546	269	66	211	7,706	4,433	1,902	2,601	278
West Los Angeles ⁷	1,175	506	191	478	15,902	8,301	4,529	5,254	824
Colorado:									
Denver	301	119	100	82	8,259	4,331	3,354	1,345	233
Ft. Lyon	291	135	.....	156	1,707	995	.....	1,072	264
Grand Junction	115	59	26	30	3,014	1,652	1,134	458	64
Connecticut:									
Newington	177	94	50	32	3,157	2,159	914	472	115
West Haven	614	319	145	150	5,685	3,745	1,893	1,124	301
Delaware: Wilmington	296	169	119	8	3,890	3,304	1,794	84	150
District of Columbia: Washington	582	278	130	175	9,629	6,122	2,614	1,955	416
Florida:									
Bay Pines	665	370	150	145	13,107	8,575	3,669	2,197	473
Gainesville	463	177	196	90	10,296	4,750	5,056	1,279	347
Lake City	326	256	66	4	6,974	6,026	1,921	79	253
Miami	622	337	126	159	12,916	8,403	3,479	3,169	466
Tampa	606	295	165	145	11,800	6,843	4,351	2,383	436
Georgia:									
Atlanta	434	230	108	96	9,950	6,193	2,965	2,066	340
Augusta ⁷	1,019	466	130	423	11,044	6,453	3,217	2,916	775
Dublin	287	224	31	32	5,364	4,631	1,105	1,145	231
Idaho: Boise	159	86	43	30	3,625	2,592	1,158	521	86
Illinois:									
Chicago (Lakeside)	442	269	133	40	8,178	5,720	2,583	855	240
Chicago (West Side)	482	216	182	84	10,805	6,548	3,499	1,849	334
Danville	860	526	60	274	6,741	5,154	1,805	2,044	629
Hines	1,146	652	254	240	18,145	11,570	4,035	5,113	736
Marion	171	133	38	.....	6,403	5,648	1,001	.....	125
North Chicago	1,064	399	70	595	6,218	4,934	1,321	2,517	715
Indiana:									
Ft. Wayne	161	113	33	15	3,743	2,772	1,033	327	102
Indianapolis ⁷	419	191	133	96	9,929	5,906	4,111	1,117	303
Marion	693	401	.....	292	3,231	2,480	.....	1,906	456
Iowa:									
Des Moines	273	187	86	.....	5,916	4,027	2,306	.....	117
Iowa City	283	131	108	44	7,105	4,074	2,958	770	180
Knoxville	418	166	.....	252	3,361	2,659	.....	2,205	345
Kansas:									
Leavenworth	403	246	35	122	5,502	4,785	1,155	1,481	266
Topeka	808	379	57	372	6,051	4,855	1,336	2,440	520
Wichita	153	74	67	12	4,637	2,846	2,030	327	108

See footnotes at end of table.

TABLE 10—Continued

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Selected Data—Fiscal Year 1988

Location	Average Operating Beds ¹				Patients Treated Total ²	Episodes of Care ³			Average Daily Census ⁴
	Total	Bed Section ⁵				Medical ⁶	Surgical	Psychiatric	
		Medical ⁶	Surgical	Psychiatric					
Kentucky:									
Lexington ⁷	895	536	130	229	9,846	6,554	3,847	1,208	633
Louisville	334	178	102	54	9,447	6,305	3,059	1,586	247
Louisiana:									
Alexandria	190	80	85	25	5,736	3,538	3,414	368	155
New Orleans	390	186	123	82	9,235	5,218	3,787	1,488	304
Shreveport	332	171	109	52	9,176	5,906	2,766	959	223
Maine: Togus	362	162	33	167	5,577	3,991	1,340	2,163	288
Maryland:									
Baltimore	205	101	77	26	6,161	3,977	2,220	468	156
Ft. Howard	204	188	.....	17	1,808	2,223	.....	233	170
Perry Point	697	353	.....	344	3,892	3,601	.....	1,869	611
Massachusetts:									
Bedford	739	350	.....	389	2,841	1,730	.....	1,729	551
Boston	611	337	194	80	8,357	6,333	5,129	1,492	343
Brockton ⁷	846	444	76	326	8,537	5,185	1,930	2,944	681
Northampton	444	202	.....	242	3,016	2,595	.....	1,662	405
Michigan:									
Allen Park	481	259	102	120	9,209	5,993	3,146	1,753	374
Ann Arbor	259	105	96	58	8,501	4,048	4,122	1,112	209
Battle Creek	784	329	.....	455	6,642	3,828	.....	4,908	639
Iron Mountain	199	103	66	30	4,142	2,440	1,479	471	96
Saginaw	155	116	39	.....	3,805	3,047	985	.....	98
Minnesota:									
Minneapolis	698	339	263	96	16,737	9,814	6,943	1,690	484
St. Cloud	549	206	.....	343	3,567	1,983	.....	2,277	397
Mississippi:									
Biloxi ⁷	801	342	65	394	8,325	4,604	2,991	2,626	571
Jackson	441	245	126	70	11,178	7,219	3,345	1,529	298
Missouri:									
Columbia	322	143	124	55	7,823	5,321	4,044	812	204
Kansas City	390	158	142	90	9,173	5,240	3,504	1,346	283
Poplar Bluff	176	132	29	15	3,801	2,860	952	246	115
St. Louis ⁷	724	345	151	228	14,841	9,631	4,918	4,087	570
Montana:									
Ft. Harrison	150	83	40	27	3,952	2,873	1,237	537	105
Miles City	91	72	19	.....	3,031	2,526	679	.....	61
Nebraska:									
Grand Island	119	72	27	20	2,580	1,782	888	247	77
Lincoln	170	59	53	58	4,131	1,789	1,672	1,376	113
Omaha	361	175	118	68	7,641	4,539	2,922	1,253	236
Nevada: Reno	161	96	34	32	4,279	3,174	1,540	637	115
New Hampshire: Manchester	164	89	45	30	3,287	1,740	1,578	480	97
New Jersey:									
East Orange	634	392	136	105	11,077	8,430	3,606	1,793	530
Lyons	1,168	427	.....	741	4,747	4,321	.....	2,736	830
New Mexico: Albuquerque	432	209	129	94	10,852	6,609	3,603	2,024	311
New York:									
Albany	470	279	95	96	7,340	4,773	2,526	1,317	362
Batavia	145	145	.....	.....	1,349	1,784	.....	.....	115
Bath	206	182	.....	24	2,779	2,543	.....	696	183
Bronx	660	351	239	70	7,268	4,740	2,803	1,152	380
Brooklyn ⁷	912	601	209	102	10,586	7,731	2,522	1,917	550
Buffalo	671	426	121	124	11,309	7,933	3,563	2,196	553
Canandaigua	912	572	.....	341	2,663	2,550	.....	1,498	597
Castle Point	255	188	66	.....	3,144	2,685	1,187	.....	174
Montrose	859	399	.....	460	5,053	2,231	.....	4,266	724
New York	817	405	265	147	9,438	5,584	3,526	1,926	497
Northport	728	319	87	321	9,189	5,265	3,001	3,251	616
Syracuse	239	133	73	33	5,117	3,465	2,076	571	182
North Carolina:									
Asheville	411	287	93	30	8,054	5,829	2,886	701	315
Durham	351	120	155	76	8,482	3,670	4,350	1,292	290

See footnotes at end of table.

INPATIENT CARE

TABLE 10—Continued

VA Medical Centers—Hospital Care Component: Selected Data—Fiscal Year 1988

Location	Average Operating Beds ¹				Patients Treated Total ²	Episodes of Care ³			Average Daily Census ⁴
	Total	Bed Section ⁵				Bed Section ⁵			
		Medical ⁶	Surgical	Psychiatric		Medical ⁶	Surgical	Psychiatric	
Fayetteville	303	191	77	35	5,944	4,219	1,656	633	235
Salisbury	741	355	40	346	6,520	2,751	1,093	3,848	684
North Dakota: Fargo	165	99	66	.....	4,835	3,725	1,241	.....	118
Ohio:									
Chillicothe	835	372	.....	463	7,543	7,326	.....	3,068	582
Cincinnati	343	142	126	75	7,439	3,470	2,943	1,690	199
Cleveland ⁷	1,193	396	252	545	13,108	8,785	3,230	4,662	580
Dayton	498	334	120	45	8,589	6,590	2,738	1,047	404
Oklahoma:									
Muskogee	168	108	61	.....	4,800	3,416	1,885	.....	129
Oklahoma City	390	176	116	98	10,461	6,562	3,490	1,663	268
Oregon:									
Portland ⁷	556	310	169	77	12,998	9,024	4,981	1,315	371
Roseburg	310	153	22	135	4,708	3,370	690	1,572	187
Pennsylvania:									
Altoona	101	84	17	.....	2,457	2,173	675	.....	82
Butler	216	216	.....	.....	2,746	3,633	.....	.....	189
Coatesville	899	413	.....	486	4,632	3,468	.....	3,608	698
Erie	138	98	40	.....	3,019	2,194	1,284	.....	85
Lebanon	816	389	29	398	4,175	4,429	788	1,463	485
Philadelphia	412	193	170	49	6,684	3,718	2,995	1,037	303
Pittsburgh (Highland Drive)	707	352	.....	355	4,061	2,126	.....	3,172	502
Pittsburgh (University Drive) ⁷	601	406	195	.....	9,111	6,802	3,622	.....	400
Wilkes-Barre	405	248	69	89	7,529	5,527	2,270	1,998	299
Puerto Rico: San Juan	684	273	171	240	13,632	6,439	4,890	3,655	553
Rhode Island: Providence	265	159	46	60	4,988	4,554	1,510	1,165	192
South Carolina:									
Charleston	291	133	91	68	7,146	4,333	3,266	1,186	230
Columbia	453	281	113	60	8,882	6,077	2,926	1,074	318
South Dakota:									
Ft. Meade	349	164	37	148	3,658	1,814	1,153	1,468	258
Hot Springs	174	120	17	36	2,351	2,078	586	478	100
Sioux Falls	246	151	62	33	4,663	3,304	1,530	588	159
Tennessee:									
Memphis	836	473	183	180	13,747	9,993	4,755	2,580	539
Mountain Home	436	255	108	73	7,895	5,300	2,601	1,514	337
Murfreesboro	617	285	44	288	5,615	4,285	1,531	3,326	526
Nashville	407	193	168	46	8,618	5,456	3,420	877	274
Texas:									
Amarillo	154	86	50	18	3,748	2,927	1,560	97	94
Big Spring	209	133	31	45	3,826	3,874	1,370	871	140
Bonham	78	63	.....	15	2,403	2,279	.....	287	60
Dallas	679	290	219	170	15,553	12,188	7,165	3,175	486
Houston	886	405	192	290	18,477	10,814	5,989	3,797	702
Kerrville	244	211	33	.....	4,500	3,979	1,085	.....	187
Marlin	202	202	.....	.....	2,806	3,502	.....	.....	152
San Antonio	668	280	208	180	15,002	9,139	5,273	2,239	461
Temple	506	289	128	90	10,440	7,239	3,591	1,514	349
Waco	971	422	.....	550	4,377	3,518	.....	2,969	600
Utah: Salt Lake City	371	175	109	87	8,510	4,569	3,630	1,485	248
Vermont: White River Junction	144	67	41	37	4,045	2,323	1,450	596	118
Virginia:									
Hampton	408	219	78	110	6,291	4,239	1,900	1,532	264
Richmond	674	444	159	71	11,650	8,393	3,676	1,514	493
Salem	719	317	76	326	8,003	5,392	1,742	2,899	594
Washington:									
American Lake	423	132	.....	291	4,164	2,823	.....	2,044	220
Seattle	419	209	120	89	9,220	5,459	3,864	1,404	290
Spokane	142	102	40	.....	3,882	3,923	1,231	.....	102
Walla Walla	119	62	20	37	2,606	1,947	363	740	83
West Virginia:									
Beckley	158	108	50	.....	3,528	2,783	1,184	.....	119
Clarksburg	176	94	45	37	4,641	3,189	1,301	674	125

See footnotes at end of table.

TABLE 10—Continued

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Selected Data—Fiscal Year 1988

Location	Average Operating Beds ¹				Patients Treated Total ²	Episodes of Care ³			Average Daily Census ⁴
	Total	Bed Section ⁵				Bed Section ⁵			
		Medical ⁶	Surgical	Psychiatric		Medical ⁶	Surgical	Psychiatric	
Huntington	180	123	57	.....	4,487	3,898	1,339	.....	130
Martinsburg	377	240	57	80	6,419	3,756	1,441	2,054	287
Wisconsin:									
Madison	275	135	116	24	6,208	3,867	2,805	328	201
Tomah	798	333	.....	465	3,343	2,158	.....	1,959	492
Wood	642	366	177	99	10,886	6,464	3,866	2,657	403
Wyoming:									
Cheyenne	123	74	29	20	2,582	1,795	649	340	57
Sheridan	339	127	.....	212	2,469	1,698	.....	1,381	258

¹ Based on the number of operating beds at the end of each month for 13 consecutive months (September 1987—September 1988).

² Based on the number of discharges and deaths during FY 1988 plus the number on the rolls (bed occupants and patients on authorized leave of absence) on September 30, 1988. Interhospital transfers are excluded from the overall total but are included in the individual hospital totals.

³ Based on the number of discharges and deaths during FY 1988 plus the number on the rolls (bed occupants and patients on authorized leave of absence) on September 30, 1988. Interhospital transfers (38,860) are excluded from the overall totals. Intrahospital transfers (i.e., movement of patients from one type of bed section to another) are included in both the overall bed section totals and in the individual hospital bed section totals.

⁴ Based on total patient days during FY 1988 divided by the number of days in the fiscal year.

⁵ Beds are classified according to their intended use; patients are classified according to the classification of the beds they occupy, rather than on a diagnostic basis.

⁶ Medical bed section includes medicine, neurology, intermediate care, spinal cord injury, rehabilitation medicine, and blind rehabilitation.

⁷ Includes data for two divisions of the VA medical center.

Non-VA Hospitals¹: Selected Data—Fiscal Year 1988

Location of Authorizing VA Facility	Average Daily Census ²	Admissions	Discharges and Deaths	Patients Treated ³				Patients Remaining on Sept. 30, 1988 ⁴
				Total	Federal Hospitals	State and Local Government Hospitals	Non-Public Hospitals	
Total	571	27,022	27,013	27,377	2,675	8,177	16,525	364
Medical Bed Section Total ..	343	18,800	18,768	18,989	1,739	5,164	12,086	221
Surgical Bed Section Total ..	76	2,976	2,997	3,038	602	1,035	1,401	41
Psychiatric Bed Section Total	152	5,246	5,248	5,350	334	1,978	3,038	102
Alabama:								
Montgomery	4	252	253	254	.....	138	116	1
Tuscaloosa .....	.....	7	7	7	.....	7	.....	.....
Tuskegee .....	.....	1	1	1	.....	1	.....	.....
Alaska:								
Anchorage (RO-OC)	102	4,698	4,643	4,771	146	121	4,504	128
Arizona:								
Phoenix	3	229	226	231	.....	10	221	5
Prescott .....	.....	23	24	24	.....	.....	24	.....
Tucson .....	.....	9	10	10	.....	1	9	.....
Arkansas:								
Fayetteville .....	.....	1	1	1	.....	1	.....	.....
Little Rock	5	377	377	377	.....	134	243	.....
California:								
Fresno .....	.....	18	18	18	.....	18	.....	.....
Loma Linda .....	.....	32	32	32	.....	32	.....	.....
Long Beach .....	.....	12	12	12	.....	1	11	.....
Los Angeles (OC)	7	563	557	563	.....	111	452	6
Martinez .....	.....	12	12	12	.....	12	.....	.....
San Diego	1	78	78	78	.....	21	57	.....
San Francisco	12	775	775	775	.....	499	276	.....
West Los Angeles .....	.....	17	17	17	.....	.....	17	.....
Colorado:								
Denver	2	163	163	164	.....	12	152	1
Fort Lyon .....	.....	15	15	15	.....	15	.....	.....
Connecticut:								
Newington	2	100	100	100	.....	19	81	.....
Delaware:								
Wilmington .....	.....	24	23	24	.....	2	22	1
District of Columbia:								
Washington	2	75	73	76	7	24	45	3
Florida:								
Bay Pines	30	2,158	2,149	2,178	.....	761	1,417	29
Gainesville .....	.....	49	49	49	.....	.....	49	.....
Lake City .....	.....	2	2	2	.....	2	.....	.....
Miami	5	347	346	351	.....	351	.....	5
Tampa	1	71	72	73	.....	.....	73	1
Georgia:								
Atlanta	8	398	398	398	.....	398	.....	.....
Augusta .....	.....	9	9	9	.....	9	.....	.....
Hawaii:								
Honolulu (RO-OC)	68	2,317	2,328	2,365	1,207	397	761	37
Idaho:								
Boise	1	95	95	95	.....	56	39	.....
Illinois:								
Chicago (West Side)	7	290	290	290	.....	147	143	.....
Danville .....	.....	20	20	20	.....	.....	20	.....
Hines .....	.....	3	3	3	.....	.....	3	.....
North Chicago .....	.....	.....	1	1	.....	1	.....	.....
Indiana:								
Indianapolis	5	656	656	657	.....	93	564	1
Iowa:								
Des Moines	2	41	41	41	.....	7	34	.....
Iowa City	1	119	120	120	.....	91	29	.....
Kansas:								
Leavenworth .....	.....	13	13	13	.....	4	9	.....
Topeka .....	.....	11	11	11	.....	11	.....	.....
Wichita	1	125	125	125	.....	71	54	.....

See footnotes at end of table.

TABLE 11—Continued

INPATIENT CARE

Non-VA Hospitals¹: Selected Data—Fiscal Year 1988

Location of Authorizing VA Facility	Average Daily Census ²	Admissions	Discharges and Deaths	Patients Treated ³				Patients Remaining on Sept. 30, 1988 ⁴
				Total	Federal Hospitals	State and Local Government Hospitals	Non-Public Hospitals	
Kentucky:								
Lexington	1	124	124	124	.....	109	15	.....
Louisville	1	102	102	102	.....	82	20	.....
Louisiana:								
New Orleans	5	351	351	351	.....	6	345	.....
Shreveport	1	71	71	71	.....	.....	71	.....
Maine:								
Togus	3	193	193	193	.....	.....	193	.....
Maryland:								
Baltimore	2	63	63	66	.....	2	64	3
Fort Howard .....	.....	5	5	5	.....	.....	5	.....
Perry Point .....	.....	4	4	4	.....	.....	4	.....
Massachusetts:								
Bedford .....	.....	19	18	19	.....	.....	19	1
Boston (OC)	4	158	158	158	.....	10	148	.....
Northampton .....	.....	11	11	11	.....	.....	11	.....
Michigan:								
Allen Park	6	324	326	326	.....	176	150	.....
Ann Arbor	1	15	15	15	.....	15	.....	.....
Battle Creek .....	.....	32	32	32	.....	32	.....	.....
Iron Mountain .....	.....	4	4	4	.....	4	.....	.....
Minnesota:								
Minneapolis	16	1,175	1,175	1,175	.....	596	579	.....
St. Cloud .....	.....	23	23	23	.....	18	5	.....
Mississippi:								
Jackson	1	61	61	61	.....	52	9	.....
Missouri:								
Columbia .....	.....	3	3	3	.....	3	.....	.....
Kansas City	4	226	226	226	.....	.....	226	.....
Poplar Bluff .....	.....	1	1	1	.....	1	.....	.....
St. Louis	1	38	38	38	2	.....	36	.....
Montana:								
Fort Harrison .....	.....	67	67	67	.....	.....	67	.....
Miles City .....	.....	4	4	4	.....	.....	4	.....
Nebraska:								
Lincoln .....	.....	29	29	29	.....	9	20	.....
Omaha .....	.....	14	15	15	2	3	10	.....
Nevada:								
Las Vegas (OC)	5	234	234	234	.....	73	161	.....
Reno	5	340	345	346	.....	92	254	1
New Hampshire:								
Manchester	1	86	86	86	.....	.....	86	.....
New Jersey:								
East Orange	5	231	233	234	.....	2	232	1
Lyons .....	.....	4	4	4	.....	.....	4	.....
New Mexico:								
Albuquerque	1	75	75	75	.....	.....	75	.....
New York:								
Albany	2	146	146	146	.....	.....	146	.....
Batavia .....	.....	3	3	3	.....	3	.....	.....
Bath .....	.....	7	7	7	.....	.....	7	.....
Buffalo	1	40	40	40	.....	8	32	.....
Canandaigua .....	.....	1	1	1	.....	1	.....	.....
New York	18	190	191	192	.....	100	92	1
Syracuse	1	69	70	70	.....	.....	70	.....
North Carolina:								
Asheville .....	.....	11	11	11	.....	.....	11	.....
Durham	2	162	162	162	.....	.....	162	.....
Fayetteville .....	.....	6	6	6	.....	5	1	.....
Salisbury	6	300	300	300	.....	67	233	.....
North Dakota:								
Fargo	6	263	262	267	200	8	59	5
Ohio:								
Cincinnati	3	172	179	179	.....	151	28	.....

See footnotes at end of table.

INPATIENT CARE

TABLE 11—Continued

Non-VA Hospitals¹: Selected Data—Fiscal Year 1988

Location of Authorizing VA Facility	Average Daily Census ²	Admissions	Discharges and Deaths	Patients Treated ³				Patients Remaining on Sept. 30, 1988 ⁴
				Total	Federal Hospitals	State and Local Government Hospitals	Non-Public Hospitals	
Cleveland	1	121	121	121	.....	16	105	.....
Columbus (OC)	6	369	368	374	.....	202	172	6
Dayton .....	.....	2	2	2	.....	1	1	.....
Oklahoma:								
Muskogee	9	291	291	297	4	293	.....	6
Oklahoma City .....	.....	23	22	23	.....	14	9	1
Oregon:								
Portland	4	326	326	326	.....	32	294	.....
Roseburg .....	.....	3	3	3	.....	3	.....	.....
White City (Ind. Dom.)	1	55	55	55	.....	.....	55	.....
Pennsylvania:								
Altoona	1	72	72	72	.....	.....	72	.....
Butler .....	.....	2	2	2	.....	2	.....	.....
Coatesville .....	.....	15	13	15	.....	15	.....	2
Erie .....	.....	38	38	38	.....	38	.....	.....
Lebanon	1	98	96	98	.....	6	92	2
Philadelphia	8	332	334	334	.....	50	284	.....
Pittsburgh (Highland Dr.) ..	.....	37	38	38	.....	.....	38	.....
Pittsburgh (Univ. Dr.) .....	.....	10	10	10	.....	.....	10	.....
Wilkes-Barre	3	167	167	167	.....	7	160	.....
Philippines:								
Manila (RO-OC)	52	1,044	1,049	1,092	.....	1,080	12	43
Puerto Rico:								
San Juan	39	657	685	718	.....	314	404	33
Rhode Island:								
Providence	1	64	63	64	.....	9	55	1
South Carolina:								
Charleston .....	.....	1	1	1	.....	1	.....	.....
Columbia	5	214	214	216	.....	130	86	2
South Dakota:								
Sioux Falls	1	37	37	37	.....	2	35	.....
Tennessee:								
Mountain Home .....	.....	7	7	7	.....	3	4	.....
Murfreesboro .....	.....	13	13	13	.....	.....	13	.....
Nashville	3	159	159	159	2	99	58	.....
Texas:								
Amarillo	7	360	355	362	145	.....	217	7
Dallas	3	115	116	116	.....	18	98	.....
El Paso (OC)	23	983	986	1,006	712	158	136	20
Houston	1	47	47	47	.....	5	42	.....
San Antonio	4	193	195	198	62	73	63	3
Temple .....	.....	6	6	6	.....	.....	6	.....
Waco	3	69	68	69	.....	13	56	1
Utah:								
Salt Lake City	1	53	53	53	.....	.....	53	.....
Vermont:								
White River Junction	1	81	81	81	.....	4	77	.....
Virginia:								
Hampton .....	.....	18	17	18	.....	.....	18	1
Richmond .....	.....	11	12	12	.....	12	.....	.....
Salem	3	277	277	278	.....	2	276	1
Washington:								
American Lake (Tacoma) ...	3	194	194	198	186	.....	12	4
Seattle	5	366	370	371	.....	154	217	1
Spokane .....	.....	10	10	10	.....	.....	10	.....
Walla Walla .....	.....	2	3	3	.....	.....	3	.....
West Virginia:								
Beckley .....	.....	3	3	3	.....	3	.....	.....
Clarksburg .....	.....	2	2	2	.....	2	.....	.....
Huntington	1	150	150	150	.....	150	.....	.....
Martinsburg .....	.....	14	14	14	.....	14	.....	.....
Wisconsin:								
Madison .....	.....	4	4	4	.....	4	.....	.....

See footnotes at end of table.

TABLE 11—Continued

INPATIENT CARE

Non-VA Hospitals¹: Selected Data—Fiscal Year 1988

Location of Authorizing VA Facility	Average Daily Census ²	Admissions	Discharges and Deaths	Patients Treated ³				Patients Remaining on Sept. 30, 1988 ⁴
				Total	Federal Hospitals	State and Local Government Hospitals	Non-Public Hospitals	
Tomah .....	.....	2	2	2	.....	2	.....	.....
Wood	2	207	207	207	.....	4	203	.....
Wyoming:								
Cheyenne	1	23	23	23	.....	23	.....	.....
Sheridan .....	.....	13	13	13	.....	13	.....	.....

¹Excludes State Home hospitals. As reported by VA authorizing facility.

²Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year rounded to the nearest whole number.

³Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.

⁴Total on rolls (bed occupants and patients on authorized leave of absence).

VA Medical Centers—Hospital Care Component: Patients Remaining, Type of Patient, Percent Hospitalized in Reported State of Residence—September 30, 1988

Reported State of Residence	All Patients			Type of Patient					
				Medical and Surgical		Psychotic		Other Psychiatric	
	Total	Hospitalized in Same State		Total	Percent Hospitalized in Same State	Total	Percent Hospitalized in Same State	Total	Percent Hospitalized in Same State
		Number	Percent						
Total	48,008	42,071	87.6	27,347	87.7	12,825	88.7	7,836	85.7
United States	47,421	41,509	87.5	26,983	87.6	12,631	88.5	7,807	85.7
Alabama	1,232	1,048	85.1	559	85.9	479	89.1	194	72.7
Alaska	7	.....	.....	6	.....	.....	.....	1	.....
Arizona	679	621	91.5	485	92.4	67	88.1	127	89.8
Arkansas	717	614	85.6	438	80.6	147	95.2	132	91.7
California	3,521	3,443	97.8	2,053	98.0	832	97.5	636	97.5
Colorado	491	412	83.9	203	88.2	165	91.5	123	66.7
Connecticut	454	350	77.1	243	89.3	118	47.5	93	82.8
Delaware	122	64	52.5	79	77.2	24	4.2	19	10.5
District of Columbia	244	185	75.8	138	89.1	55	36.4	51	82.4
Florida	1,944	1,672	86.0	1,332	91.9	282	61.0	330	83.6
Georgia	1,336	1,009	75.5	769	77.1	373	72.7	194	74.7
Hawaii	6	.....	.....	1	.....	1	.....	4	.....
Idaho	148	71	48.0	104	48.1	12	66.7	32	40.6
Illinois	2,516	2,227	88.5	1,382	85.0	691	93.5	443	91.6
Indiana	999	737	73.8	454	63.0	378	85.4	167	76.6
Iowa	577	506	87.7	305	83.9	129	93.0	143	90.0
Kansas	686	605	88.2	342	86.0	240	94.2	104	81.7
Kentucky	896	706	78.8	569	75.7	209	86.6	118	79.7
Louisiana	576	479	83.2	384	92.2	90	55.6	102	73.5
Maine	245	217	88.6	114	80.7	92	94.6	39	97.4
Maryland	967	747	77.2	514	71.0	291	92.8	162	69.1
Massachusetts	1,718	1,633	95.1	730	91.9	713	98.6	275	94.2
Michigan	1,390	1,305	93.9	636	93.4	469	95.7	285	91.9
Minnesota	781	684	87.6	400	81.0	220	94.5	161	94.4
Mississippi	702	557	79.3	405	75.6	175	85.1	122	83.6
Missouri	1,030	823	79.9	722	84.8	166	68.1	142	69.0
Montana	230	134	58.3	146	73.3	30	16.7	54	40.7
Nebraska	400	325	81.3	269	86.6	48	50.0	83	81.9
Nevada	131	62	47.3	101	45.5	11	27.3	19	68.4
New Hampshire	175	75	42.9	114	46.5	24	25.0	37	43.2
New Jersey	1,378	1,183	85.8	616	84.9	565	89.9	197	77.2
New Mexico	278	219	78.8	182	90.1	41	41.5	55	69.1
New York	4,611	4,510	97.8	2,685	98.1	1,280	97.3	646	97.4
North Carolina	1,452	1,347	92.8	848	91.5	378	96.3	226	91.6
North Dakota	89	34	38.2	39	61.5	18	27.8	32	15.6
Ohio	1,751	1,539	87.9	974	85.5	514	90.5	263	91.6
Oklahoma	447	323	72.3	304	82.9	50	38.0	93	55.9
Oregon	468	423	90.4	318	91.8	62	91.9	88	84.1
Pennsylvania	2,610	2,451	93.9	1,352	93.0	899	95.6	359	93.3
Rhode Island	166	133	80.1	110	88.2	25	44.0	31	80.6
South Carolina	821	499	60.8	562	64.1	148	41.9	111	69.4
South Dakota	371	328	88.4	171	83.0	115	93.0	85	92.9
Tennessee	1,219	1,162	95.3	732	96.7	300	93.0	187	93.6
Texas	2,910	2,763	94.9	1,766	95.1	710	96.5	434	91.9
Utah	187	156	83.4	92	97.8	41	56.1	54	79.6
Vermont	64	48	75.0	38	81.6	14	57.1	12	75.0
Virginia	1,329	1,109	83.4	820	81.7	343	86.9	166	84.9
Washington	574	508	88.5	363	87.6	96	93.8	115	87.0
West Virginia	534	374	79.0	385	79.7	96	38.5	53	56.6
Wisconsin	1,068	943	88.3	567	87.3	344	91.0	157	86.0
Wyoming	174	146	83.9	62	75.8	61	82.0	51	96.1
Outside the United States	587	562	95.7	364	94.2	194	97.9	29	100.0
Philippines, Republic	1	.....	.....	.....	.....	1	.....	.....	.....
Puerto Rico	564	562	99.6	344	99.7	191	99.5	29	100.0
Others	22	.....	.....	20	.....	2	.....	.....	.....

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

TABLE 12
alized in

Psychiatric

Percent Hospi- talized in Same State
85.7
85.7
72.7
.....
89.8
91.7
97.5
66.7
82.8
10.5
82.4
83.6
74.7
.....
40.6
91.6
76.6
90.0
81.7
79.7
73.5
97.4
69.1
94.2
91.9
94.4
83.6
69.0
40.7
81.9
68.4
43.2
77.2
69.1
97.4
91.6
15.6
91.6
55.9
84.1
93.3
80.6
69.4
92.9
93.6
91.9
79.6
75.0
84.9
87.0
56.6
86.0
96.1
100.0
.....
100.0
.....

INPATIENT CARE

TABLE 13

VA Medical Centers—Hospital Care Component: Patients Remaining, Diagnostic Group, Period of Service,
Average Age and Age Group—September 30, 1988

Diagnostic Composition of Patients ¹	All Patients	Period of Service						Average Age	Age							
		Post Viet-nam ²	Viet-nam Era	Post Korean ³	Korean Conflict ⁴	WW II	WW I		All Others	Under 35	35-44	45-54	55-64	65-74	Over 75-84	85 and Over
All Diseases and Conditions	48,008	2,940	10,531	3,054	6,749	23,130	842	762	58.3	3,818	7,560	4,935	12,552	13,690	4,262	1,191
I. Infectious and parasitic diseases	589	36	145	37	79	271	12	9	58.0	42	120	52	141	157	59	18
Pulmonary tuberculosis (011)	72	...	18	3	12	38	1	...	(⁵)	...	14	6	28	18	5	1
Tuberculosis, other (010, 012-018)	22	2	6	1	5	8	...	...	(⁵)	1	7	2	4	6	1	1
Tuberculosis, late effects (137)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
All other infectious and parasitic diseases (001-009, 020-136)	495	34	121	33	62	225	11	9	57.9	41	99	44	109	133	53	16
Late effects of other infectious and parasitic diseases (138-139)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
II. Neoplasms	3,954	47	287	209	674	2,620	56	61	64.7	31	114	307	1,439	1,527	450	86
Malignant neoplasm of lip, oral cavity, and pharynx (140-149, 230.0)	274	1	28	12	68	157	2	6	62.9	...	7	32	124	87	20	4
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9)	688	8	33	34	109	487	9	8	65.7	2	13	48	253	272	82	18
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2)	915	2	55	49	167	620	6	16	64.6	...	13	68	359	382	83	10
Malignant neoplasm of other respiratory system and intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9)	188	...	17	14	46	105	2	4	62.4	...	8	19	83	64	12	2
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208)	293	5	32	18	47	184	3	4	63.6	8	21	19	90	109	39	7
Malignant neoplasm of genitourinary organs (179-189, 233)	653	6	28	18	81	487	23	10	68.7	3	5	24	182	279	128	32
Malignancies of all other systems (170-175, 190-199, 232, 234)	733	18	63	48	127	458	10	9	63.5	12	30	66	273	263	78	11
Neoplasms, benign (210-229)	112	3	18	9	18	61	...	3	60.1	3	9	17	41	37	4	1
Neoplasms of unspecified nature (235-239)	98	4	13	7	11	61	1	1	(⁵)	3	8	14	34	34	4	1
III. Endocrine, nutritional and metabolic diseases and immunity disorders	1,081	23	133	70	181	630	23	21	62.8	19	82	113	340	377	123	27
Diabetes mellitus (250)	717	15	92	51	131	408	7	13	62.0	12	54	82	245	249	65	10
Diseases of the endocrine glands (240-246, 251-259)	76	2	7	3	16	46	1	1	(⁵)	2	5	8	21	33	6	1
Gout (274)	22	1	1	2	4	14	...	...	(⁵)	...	1	3	6	8	4	...
Obesity (278.0-278.1)	13	...	4	1	1	7	...	...	(⁵)	...	3	2	2	3	3	...
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8)	250	4	28	13	28	155	15	7	65.6	5	17	18	65	84	45	16
Disorders involving the immune mechanisms (279)	3	1	1	...	1	...	...	...	(⁵)	...	2	...	1	...	...	...
IV. Diseases of the blood and blood-forming organs	193	4	20	7	19	124	16	3	66.4	9	11	7	45	71	30	20
Anemias (280-282.4, 282.7-285)	136	2	11	5	13	87	16	2	68.3	4	5	6	31	51	20	19
Sickle-cell trait and sickle-cell anemia (282.5-282.6)	1	...	1	...	...	...	...	...	(⁵)	...	1	...	...	...	...	...
Other diseases of the blood and blood-forming organs (282.7-285)	56	...	...	...	...	...	...	...	(⁵)	...	...	...	...	...	...	...

TABLE 13—Continued

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Remaining, Diagnostic Group, Period of Service,
Average Age and Age Group—September 30, 1988

Diagnostic Composition of Patients ¹	All Patients	Period of Service						Average Age	Age							
		Post Viet-nam ²	Viet-nam Era	Post Korean ³	Korean Con-flict ⁴	WW II	WW I		All Others	Under 35	35-44	45-54	55-64	65-74	Over 75-84	85 and Over
V. Mental disorders	20,661	2,249	7,249	1,607	2,606	6,486	198	266	51.5	3,034	5,654	2,629	4,220	3,750	1,083	291
Alcohol psychosis (291)	675	17	71	34	132	402	1	18	62.3	18	51	45	230	263	63	5
Drug psychosis (292)	51	10	27	4	3	7	...	...	(^b)	12	21	7	8	3	...	...
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294) ...	2,181	22	150	73	253	1,530	110	43	68.4	29	76	114	458	868	475	161
Schizophrenic disorders (295)	7,036	757	2,325	694	1,068	2,079	21	92	50.6	1,035	1,835	1,066	1,727	1,176	166	31
Other psychoses (296-299)	2,882	259	742	210	386	1,209	29	47	55.6	306	565	356	666	720	225	44
Neurotic disorders (300)	404	40	148	24	48	135	3	6	51.9	47	119	48	84	81	19	6
Personality disorders (301)	203	40	103	16	13	29	...	2	42.7	62	74	21	29	14	3	...
Alcohol dependence or abuse (303, 305.0)	4,142	618	2,045	408	512	524	...	35	44.7	841	1,579	727	694	285	16	...
Drug dependence or abuse (304, 305.1-305.9) ..	1,164	389	693	45	14	15	...	8	35.5	559	521	59	14	10	...	1
Other nonpsychotic mental disorders (302, 306-319)	1,923	97	945	99	177	556	34	15	51.7	125	813	186	310	330	116	43
VI. Diseases of the nervous system and sense organs	3,299	89	387	170	424	2,088	68	73	63.6	112	234	260	873	1,277	444	99
Quadriplegia (344.0)	170	15	33	24	29	54	1	14	52.3	28	26	29	44	32	9	2
Paraplegia (344.1)	74	8	17	12	8	21	2	6	(^b)	13	16	11	16	13	3	2
Epilepsy (345)	167	9	39	8	28	76	2	5	55.8	14	33	21	49	37	11	2
Disorders of the peripheral nervous system (350-359)	172	8	25	6	27	103	...	3	61.4	6	14	16	64	56	14	2
Other diseases of the central nervous system (320-343, 344.2-344.9, 346-349)	2,443	42	243	105	289	1,667	56	41	65.5	44	133	150	630	1,035	371	80
Glaucoma (365)	29	1	3	1	8	15	1	...	(^b)	1	...	3	10	12	1	2
Cataract (366)	97	...	4	5	11	73	3	1	(^b)	...	1	9	22	45	16	4
Blindness (369)	24	...	3	2	4	13	1	1	(^b)	...	1	3	3	9	7	1
Disorders of the eye and adnexa (360-364, 367-368, 370-379)	104	3	16	5	19	57	2	2	62.2	3	7	15	30	35	11	3
Diseases of the ear and mastoid process (380-389)	19	3	4	2	1	9	...	...	(^b)	3	3	3	5	3	1	1
VII. Diseases of the circulatory system ...	5,132	54	452	242	785	3,401	120	78	65.2	48	199	360	1,665	2,071	624	165
Chronic rheumatic heart disease (393-398)	27	1	3	1	6	15	1	...	(^b)	1	2	2	9	7	4	2
Hypertensive disease without heart involvement (401, 403, 405)	205	7	25	13	23	132	2	3	62.6	3	16	15	72	81	16	2
Hypertensive heart disease (402, 404)	43	...	1	1	5	34	1	1	(^b)	...	...	2	12	23	5	1
Acute myocardial infarction (410)	354	3	26	25	72	217	6	5	63.9	1	12	33	142	118	41	7
Other ischemic heart disease (411-414)	882	6	94	60	159	541	9	13	63.1	3	40	97	338	330	62	12
Other forms of heart disease (391, 392.0, 420-429)	1,330	16	113	46	165	909	62	19	66.9	17	47	69	358	562	196	81
Cerebrovascular diseases (430-438)	1,156	5	72	39	170	823	24	23	66.8	5	24	66	358	498	165	40
Atherosclerosis (440)	76	...	6	3	11	54	1	1	(^b)	...	3	3	27	35	7	1
Other diseases of arteries, arterioles and capillaries (441-448)	665	4	53	35	110	448	5	10	65.5	2	11	47	226	294	78	7
Varicose veins of lower extremities (454)	87	1	8	4	13	58	3	...	(^b)	1	7	3	26	32	14	4
Hemorrhoids (455)	31	1	7	2	10	11	...	...	(^b)	2	6	2	15	4	2	...
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459)	276	10	44	13	41	159	6	3	61.4	13	31	21	82	87	34	8

See footnotes at end of table.

INPATIENT CARE

TABLE 13—Continued
VA Medical Centers—Hospital Care Component: Patients Remaining, Diagnostic Group, Period of Service,
Average Age and Age Group—September 30, 1988

Diagnostic Composition of Patients ¹	All Patients	Period of Service						Average Age	Age						
		Post Viet-nam ²	Viet-nam Era	Post Korean ³	Korean Con-flict ⁴	WW II	WW I		All Others	Under 35	35-44	45-54	55-64	65-74	Over 75-84	85 and Over
VIII. Diseases of the respiratory system. . .	2,577	25	190	96	371	1,771	79	45	21	81	148	798	1,070	351	108
Acute respiratory infections (460-466)	92	4	7	5	12	61	1	2	3	4	8	28	37	10	2
Pneumonia and influenza (480-487)	644	8	59	23	89	413	44	8	9	29	36	166	241	107	56
Chronic bronchitis (491)	117	...	...	4	14	93	3	3	...	...	2	40	53	17	5
Emphysema (492)	97	2	4	3	16	69	1	2	1	...	4	33	49	9	1
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-519)	1,627	11	120	61	240	1,135	30	30	8	48	98	531	690	208	44
IX. Diseases of the digestive system	2,226	62	338	152	364	1,216	53	41	67	215	250	750	678	196	70
Diseases of oral cavity, salivary glands, and jaws (520-529)	43	4	5	7	6	20	...	1	4	5	8	12	13	1	...
Ulcers of the digestive system (530.2, 531-534)	160	6	15	11	24	97	4	3	6	9	11	48	65	14	7
Other diseases of the esophagus, stomach and duodenum (530.0, 530.1, 530.3-530.9, 535-537)	188	8	25	13	31	105	2	4	9	11	22	61	56	25	4
Hernia of the abdominal cavity (550-553)	235	4	29	6	45	139	6	6	4	15	24	76	92	18	6
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579)	798	18	92	40	116	486	30	16	19	60	70	259	255	95	40
Alcohol-related liver disorders (571.0-571.3)	241	2	60	24	53	98	...	4	3	42	39	104	51	2	...
Other diseases of the liver, gallbladder and pancreas (570, 571.4-577)	561	20	112	51	89	271	11	7	22	73	76	190	146	41	13
X. Diseases of the genitourinary system. . .	1,379	30	163	63	189	869	52	13	30	88	99	384	508	201	69
Nephritis, nephrotic syndrome, and nephrosis (580-589)	294	9	35	22	48	173	5	2	4	19	35	98	100	31	7
Other diseases of the urinary system (590-599)	652	13	92	28	86	386	41	6	18	52	43	162	211	113	53
Diseases of the prostate (600-602).	315	2	16	6	28	255	6	2	...	2	4	83	168	49	9
Other diseases of the male genital organs (603-608)	96	2	18	6	24	44	...	2	2	14	13	37	23	7	...
Disorders of the breast and gynecological diseases (610-629)	22	4	2	1	3	11	...	1	6	1	4	4	6	1	...
XI. Complications of pregnancy, childbirth, and puerperium (630-676) . . . . .	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
XII. Diseases of the skin and subcutaneous tissue.	1,096	41	221	94	182	528	15	15	57	148	165	312	301	89	24
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698)	357	12	68	25	62	179	5	6	14	47	47	113	103	25	8
Other diseases of skin and subcutaneous tissue (700-709)	739	29	153	69	120	349	10	9	43	101	118	199	198	64	16
XIII. Diseases of the musculoskeletal system and connective tissue	1,280	75	254	83	170	662	21	15	70	168	145	350	401	112	34
Osteoarthritis and allied disorders (715)	193	5	18	7	21	134	5	3	1	10	11	50	79	35	7
Other arthropathies and related disorders (710-714, 716-719)	237	17	44	16	21	136	1	2	22	28	20	63	86	15	3
Dorsopathies (720-724)	422	28	107	27	67	186	4	3	24	75	61	109	120	28	5
Rheumatism, excluding the back (725-729)	108	3	23	8	20	49	3	2	5	10	18	29	26	15	5

See footnotes at end of table.

TABLE 13—Continued

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Remaining, Diagnostic Group, Period of Service, Average Age and Age Group—September 30, 1988

	All Patients	Period of Service						Average Age	Age								
		Post Viet-nam ²	Viet-nam Era	Post Korean ³	Korean Con-flict ⁴	WW II	WW I		All Others	Under 35	35-44	45-54	55-64	65-74	Over 75-84	85 and Over	
Diagnostic Composition of Patients ¹																	
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739)																	
XIV. Congenital deformities (740-759)																	
XVI. Symptoms, signs, and ill-defined conditions (780-799)																	
XVII. Injury and poisoning																	
Fracture of skull (800-804)																	
Fracture of neck and trunk (805-809)																	
Fracture of upper and lower limb (810-829)																	
Dislocations, sprains, and strains of joints and adjacent muscles (830-848)																	
Intracranial injury, excluding those with skull fracture (850-854)																	
Internal injury of chest, abdomen, and pelvis (860-869)																	
Open wounds (870-897)																	
Burns (940-949)																	
Poisoning by drugs, medicinal, and biological substances (960-979)																	
Toxic effects of substances chiefly nonmedical as to source (980-989)																	
All other injuries (900-904, 910-939, 950-959, 990-995)																	
Complications of surgical and medical care, NEC (996-999)																	
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909) ..																	
XVIII. Factors influencing health status and contact with health services (V01-V82)																	
1,830																	

¹ The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. Category XV, "Conditions Originating in the Perinatal Period," in which no cases occurred, is not included in this table.

² Service on or after May 8, 1975.

³ Service between February 1, 1955 and August 4, 1964.

⁴ Service between June 27, 1950 and January 31, 1955.

⁵ Average age not calculated for totals of less than 100 cases.

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

TABLE 14

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Remaining, Percent By Attained Stay,
Diagnostic Group—September 30, 1988

Diagnostic Composition of Patients ¹	Total	Percent in each Diagnostic Category for Specified Length of Stay						
		99 Days Or Less	100 Days Or More	More Than (Years)				
				1	2	5	10	20
All Patients	48,008	75.6	24.4	12.4	8.3	4.1	1.8	.5
Psychotic	12,825	50.1	49.9	30.7	21.6	11.4	5.4	1.7
Alcohol psychoses (291)	675	42.5	57.5	34.1	23.3	10.2	3.0	.....
Drug psychoses (292)	51	92.2	7.8	3.9	3.9	2.0	.....	.....
Other psychoses (290, 293-299)	12,099	50.4	49.6	30.6	21.6	11.5	5.5	1.8
Other psychiatric	7,836	88.3	11.7	5.0	3.4	1.7	.8	.1
Alcohol dependence and abuse (303, 305.0)	4,142	97.2	2.8	.3	.1	.....	.....	.....
Drug dependence and abuse (304, 305.1-305.9)	1,164	93.3	6.7	.4	.1	.....	.....	.....
Other nonpsychotic mental disorders (300-302, 306-319) ..	2,530	71.7	28.3	14.8	10.2	5.4	2.3	.4
Medical and surgical	27,347	83.8	16.2	6.0	3.5	1.4	.4	.1
All infectious and parasitic diseases (001-139)	589	86.2	13.8	3.1	1.9	1.0	.8	.3
Malignant neoplasms (140-208, 230-234)	3,744	91.9	8.1	1.1	.4	.1	.....	.....
Benign and unspecified neoplasm (210-229, 235-239)	210	95.7	4.3	1.9	1.4	1.4	1.0	.....
Diabetes mellitus (250)	717	86.6	13.4	2.5	1.3	.1	.1	.1
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278)	361	90.0	10.0	3.3	1.4	.8	.6	.3
Disorders involving the immune mechanisms (279)	3	66.7	33.3	33.3	.....	.....	.....	.....
Disorders of the blood and blood-forming organs (280-289)	193	93.8	6.2	1.0	.5	.....	.....	.....
Quadriplegia (344.0)	170	28.8	71.2	48.2	38.8	20.6	8.2	1.2
Paraplegia (344.1)	74	50.0	50.0	25.7	18.9	13.5	4.1	.....
Other diseases of the nervous system (320-343, 344.2-359)	2,782	41.2	58.8	34.0	22.0	8.5	2.0	.1
Diseases of the sense organs (360-389)	273	96.0	4.0	1.8	.7	.4	.....	.....
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429)	2,636	95.9	4.1	.7	.2	.1	.1	.....
Cerebrovascular diseases (430-438)	1,156	80.4	19.6	6.1	3.3	1.1	.3	.....
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459)	1,340	89.7	10.3	1.4	.6	.1	.....	.....
Acute respiratory diseases (460-466, 480-487)	736	93.5	6.5	.4	.1	.....	.....	.....
Chronic bronchitis and emphysema (491-492)	214	70.6	29.4	12.6	5.1	1.9	.....	.....
Other respiratory diseases (470-478, 490, 493-519)	1,627	84.1	15.9	4.4	1.7	.4	.1	.1
Diseases of the oral cavity, salivary glands, and jaws (520-529)	43	81.4	18.6	2.3	2.3	2.3	2.3	.....
Hernia of the abdominal cavity (550-553)	235	99.1	.9	.....	.....	.....	.....	.....
Alcohol-related liver diseases (571.0-571.3)	241	94.6	5.4	1.2	.8	.4	.....	.....
Other diseases of the digestive system (530-543, 555-570, 571.4-579)	1,707	95.5	4.5	.8	.2	.1	.....	.....
Diseases of the male genital organs (600-608)	411	98.5	1.5	.....	.....	.....	.....	.....
Other diseases of the genitourinary system (580-599)	946	87.5	12.5	1.8	.8	.2	.1	.1
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676)	22	100.0	.....	.....	.....	.....	.....	.....
Diseases of the skin and subcutaneous tissue (680-709) ...	1,096	75.8	24.2	5.6	1.9	.5	.2	.....
Diseases of the musculoskeletal system and connective tissue (710-739)	1,280	86.7	13.3	5.2	3.6	2.1	.6	.....
Congenital anomalies (740-759)	30	76.7	23.3	13.3	6.7	3.3	.....	.....
Symptoms, signs, and ill-defined conditions (780-799)	1,203	90.6	9.4	3.3	1.5	.9	.4	.....
Injuries and poisonings (800-904, 910-999)	1,478	87.4	12.6	2.2	1.4	.6	.3	.1
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909) .....	.....	.....	.....	.....	.....	.....	.....	.....
Factors influencing health status and contact with health service (V01-V82)	1,830	85.1	14.9	2.7	.8	.2	.1	.1
Supplementary classification of external causes of injury and poisoning (E800-E999) .....	.....	.....	.....	.....	.....	.....	.....	.....

¹ The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

**VA Medical Centers—Hospital Care Component: Patients Remaining, Age, Diagnostic Group
September 30, 1988**

	Total		Age Group												85 and Over	
	Number	Percent	Under 35		35-44		45-54		55-64		65-74		75-84		Number	Percent
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent		
Diagnostic Composition of Patients ¹	48,008	100.0	3,818	100.0	7,560	100.0	4,935	100.0	12,552	100.0	13,690	100.0	4,262	100.0	1,191	100.0
All patients	12,825	26.7	1,400	36.7	2,548	33.7	1,588	32.2	3,089	24.6	3,030	22.1	929	21.8	241	20.2
Psychotic	675	1.4	18	.5	51	.7	45	.9	230	1.8	263	1.9	63	1.5	5	.4
Alcohol psychoses (291)	51	.1	12	.3	21	.3	7	.1	8	.1	3	(²)	.....	.....	.....	.....
Drug psychoses (292)	12,099	25.2	1,370	35.9	2,476	32.8	1,536	31.1	2,851	22.7	2,764	20.2	866	20.3	236	19.8
Other psychoses (290, 293-299)	7,836	16.3	1,634	42.8	3,106	41.1	1,041	21.1	1,131	9.0	720	5.3	154	3.6	50	4.2
Other psychiatric	4,142	8.6	841	22.0	1,579	20.9	727	14.7	694	5.5	285	2.1	16	.4	.....	.....
Alcohol dependence and abuse (303, 305.0)	1,164	2.4	559	14.6	521	6.9	59	1.2	14	.1	10	.1	.....	.....	1	.1
Drug dependence and abuse (304, 305.1-305.9)	2,530	5.3	234	6.1	1,006	13.3	255	5.2	423	3.4	425	3.1	138	3.2	49	4.1
Other nonpsychotic mental disorders (300-302, 306-319)	27,347	57.0	784	20.5	1,906	25.2	2,306	46.7	8,332	66.4	9,940	72.6	3,179	74.6	900	75.6
Medical and surgical	589	1.2	42	1.1	120	1.6	52	1.1	141	1.1	157	1.2	59	1.4	18	1.5
All infectious and parasitic diseases (001-139)	3,744	7.8	25	.7	97	1.3	276	5.6	1,364	10.9	1,456	10.6	442	10.4	84	7.1
Malignant neoplasms (140-208, 230-234)	210	.4	6	.2	17	.2	31	.6	75	.6	71	.5	8	.2	2	.2
Benign and unspecified neoplasms (210-229, 235-239)	717	1.5	12	.3	54	.7	82	1.7	245	2.0	249	1.8	65	1.5	10	.8
Diabetes mellitus (250)	361	.8	7	.2	26	.3	31	.6	94	.8	128	.9	58	1.4	17	1.4
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278)	3	(²)	.....	.....	2	(²)	.....	.....	1	(²)	.....	.....	.....	.....	.....	.....
Disorders involving the immune mechanisms (279)	193	.4	9	.2	11	.2	7	.1	45	.4	71	.5	30	.7	20	1.7
Disorders of the blood and blood-forming organs (280-289)	170	.4	28	.7	26	.3	29	.6	44	.4	32	.2	9	.2	2	.2
Quadriplegia (344.0)	74	.2	13	.3	16	.2	11	.2	16	.1	13	.1	3	.1	2	.2
Paraplegia (344.1)	2,782	5.8	64	1.7	180	2.4	187	3.8	743	5.9	1,128	8.2	396	9.3	84	7.1
Other diseases of the nervous system (320-343, 344.2-359)	273	.6	7	.2	12	.2	33	.7	70	.6	104	.8	36	.8	11	.9
Diseases of the sense organs (360-389)	2,636	5.5	22	.6	101	1.3	203	4.1	859	6.8	1,040	7.6	308	7.2	103	8.7
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429)	1,156	2.4	5	.1	24	.3	66	1.3	358	2.9	498	3.6	165	3.9	40	3.4
Cerebrovascular diseases (430-438)	1,340	2.8	21	.6	74	1.0	91	1.8	448	3.6	533	3.9	151	3.5	22	1.9
Other diseases of the circulatory system (390, 392.9, 401, 403, 405-417, 440-459)	736	1.5	12	.3	33	.4	44	.9	194	1.6	278	2.0	117	2.8	58	4.9
Acute respiratory diseases (460-466, 480-487)	214	.5	1	(²)	.....	.....	6	.1	73	.6	102	.8	26	.6	6	.5
Chronic bronchitis and emphysema (491-492)	1,627	3.4	8	.2	48	.6	98	2.0	531	4.2	690	5.0	208	4.9	44	3.7
Other respiratory diseases (470-478, 490, 493-519)	43	.1	4	.1	5	.1	8	.2	12	.1	13	.1	1	(²)	.....	.....
Diseases of the oral cavity, salivary glands, and jaws (520-529)	235	.5	4	.1	15	.2	24	.5	76	.6	92	.7	18	.4	6	.5
Hernia of the abdominal cavity (550-553)	241	.5	3	.1	42	.6	39	.8	104	.8	51	.4	2	.1	.....	.....
Alcohol-related liver diseases (571.0-571.3)	1,707	3.6	56	1.5	153	2.0	179	3.6	558	4.5	522	3.8	175	4.1	64	5.4
Other diseases of the digestive system (530-543, 555-570, 571.4-579)	411	.9	2	.1	16	.2	17	.3	120	1.0	191	1.4	56	1.3	9	.8
Diseases of the male genital organs (600-608)	946	2.0	22	.6	71	.9	78	1.6	260	2.1	311	2.3	144	3.4	60	5.0
Other diseases of the genitourinary system (580-599)	22	.1	6	.2	1	(²)	4	.1	4	(²)	6	(²)	1	(²)	.....	.....
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676)	1,096	2.3	57	1.5	148	2.0	165	3.3	312	2.5	301	2.2	89	2.1	24	2.0
Diseases of the skin and subcutaneous tissue (680-709)																

¹Some fractions at end of table

VA Medical Centers—Hospital Care Component: Patients Remaining, Age, Diagnostic Group
September 30, 1988

	Total		Age Group													
	Number	Percent	Under 35		35-44		45-54		55-64		65-74		75-84		85 and Over	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Diseases of the musculoskeletal system and connective tissue (710-739)	1,280	2.7	70	1.8	168	2.2	145	2.9	350	2.8	401	2.9	112	2.6	34	2.9
Congenital anomalies (740-759)	30	.1	2	.1	4	.1	3	.1	10	.1	7	.1	3	.1	1	.1
Symptoms, signs, and ill-defined conditions (780-799)	1,203	2.5	48	1.3	106	1.4	106	2.2	339	2.7	404	3.0	149	3.5	51	4.3
Injuries and poisonings (800-904, 910-999)	1,478	3.1	141	3.7	190	2.5	139	2.8	390	3.1	434	3.2	127	3.0	57	4.8
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Factors influencing health status and contact with health service (V01-V82) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary classification of external causes of injury and poisoning (E800-E999)	1,830	3.8	87	2.3	146	1.9	152	3.1	496	4.0	657	4.8	221	5.2	71	6.0

The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

² Less than .05 percent.

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

INPATIENT CARE

TABLE 16

VA Medical Centers—Hospital Care Component: Patients Remaining, Age, By State—September 30, 1988

Location	Total	Age						
		Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
Total	48,008	3,818	7,560	4,935	12,552	13,690	4,262	1,191
Alabama:								
Birmingham	202	6	8	16	74	75	20	3
Montgomery	128	1	4	3	37	50	23	10
Tuscaloosa	474	50	69	52	112	133	44	14
Tuskegee	559	52	101	63	131	151	48	13
Arizona:								
Phoenix	336	26	64	41	82	90	25	8
Prescott	115	5	19	14	27	32	14	4
Tucson	182	10	14	17	53	64	18	6
Arkansas:								
Fayetteville	90	4	8	13	21	26	13	5
Little Rock (Little Rock)	210	11	9	22	65	76	23	4
Little Rock (North Little Rock)	468	61	105	54	90	109	38	11
California:								
Fresno	129	13	15	5	32	39	21	4
Livermore	90	1	3	3	29	35	14	5
Loma Linda	217	21	39	28	55	60	10	4
Long Beach	559	39	70	79	178	134	48	11
Martinez	228	14	35	28	61	75	12	3
Palo Alto (Palo Alto)	524	53	95	38	122	141	51	24
Palo Alto (Menlo Park)	380	73	184	35	45	35	7	1
San Diego	272	22	47	34	72	61	20	16
San Francisco	185	9	25	25	45	61	15	5
Sepulveda	302	40	58	30	78	68	22	6
West Los Angeles (Brentwood)	400	117	156	44	44	35	3	1
West Los Angeles (Wadsworth)	318	10	36	39	105	74	35	19
Colorado:								
Denver	196	28	34	23	53	43	13	2
Fort Lyon	256	24	65	32	57	63	12	3
Grand Junction	69	5	15	6	16	12	13	2
Connecticut:								
Newington	109	7	17	7	23	40	12	3
West Haven	274	35	49	23	50	85	26	6
Delaware: Wilmington	124	1	4	11	45	48	11	4
District of Columbia: Washington	345	44	51	34	85	91	35	5
Florida:								
Bay Pines	458	26	70	50	94	126	62	30
Gainesville	284	23	53	20	79	84	22	3
Lake City	245	9	17	18	82	75	32	12
Miami	402	49	76	61	103	87	16	10
Tampa	399	38	78	45	108	97	28	5
Georgia:								
Atlanta	309	32	35	37	94	87	18	6
Augusta (Downtown)	291	13	25	32	97	95	25	4
Augusta (Uptown)	449	51	108	55	89	116	27	3
Dublin	225	9	30	16	61	84	20	5
Idaho: Boise	77	5	14	6	15	27	6	4
Illinois:								
Chicago (Lakeside)	130	6	16	19	32	41	14	2
Chicago (West Side)	309	32	45	30	94	83	20	5
Danville	636	37	67	58	124	212	101	37
Hines	636	81	124	77	155	163	31	5
Marion	115	2	5	10	32	41	19	6
North Chicago	702	70	126	94	166	174	57	15
Indiana:								
Fort Wayne	89	2	15	7	22	30	9	4
Indianapolis (W. Tenth St.)	201	7	19	16	83	64	11	1
Indianapolis (Cold Spr. Dr.)	60	13	25	8	12	2	.....	.....
Marion	445	37	93	61	114	101	33	6
Iowa:								
Des Moines	113	1	7	6	27	49	14	9
Iowa City	174	4	17	24	55	54	19	1
Knoxville	326	42	55	38	74	86	21	10
Kansas:								
Leavenworth	230	12	28	23	59	75	25	8
Topeka	466	50	119	66	93	86	37	15
Wichita	102	3	9	15	32	33	6	4
Kentucky:								
Lexington (Leestown)	357	15	20	24	77	143	61	17
Lexington (Cooper Drive)	185	9	17	16	56	66	19	2
Louisville	212	16	33	28	64	56	13	2

TABLE 16—Continued

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Remaining, Age, By State—September 30, 1988

Location	Total	Age						
		Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
Louisiana:								
Alexandria	135	4	12	12	46	45	12	4
New Orleans	242	30	40	32	54	67	13	6
Shreveport	184	15	20	28	55	55	8	3
Maine: Togus	225	16	50	18	53	63	18	7
Maryland:								
Baltimore	156	14	26	8	57	41	10	....
Fort Howard	173	12	15	14	46	62	17	7
Perry Point	580	44	69	65	180	155	56	11
Massachusetts:								
Bedford	511	31	65	36	145	175	45	14
Boston	297	28	44	34	77	83	25	6
Brockton (Brockton)	500	35	84	69	153	121	28	10
Brockton (West Roxbury)	120	5	17	11	42	33	8	4
Northampton	415	27	87	47	110	101	29	14
Michigan:								
Allen Park	379	44	75	38	97	91	24	10
Ann Arbor	190	8	37	19	56	61	6	3
Battle Creek	665	122	204	75	128	110	24	2
Iron Mountain	81	3	2	5	19	38	12	2
Saginaw	70	1	4	5	21	23	13	3
Minnesota:								
Minneapolis	400	20	50	25	100	161	36	8
St. Cloud	397	43	72	52	102	95	32	1
Mississippi:								
Biloxi (Biloxi)	203	6	12	27	66	67	22	3
Biloxi (Gulfport)	333	36	91	57	87	53	8	1
Jackson	245	10	28	27	89	70	18	3
Missouri:								
Columbia	177	3	19	13	46	75	14	7
Kansas City	241	26	30	15	82	68	15	5
Poplar Bluff	102	4	12	10	22	38	13	3
St. Louis (John J. Cochran)	250	15	19	26	82	88	17	3
St. Louis (Jefferson Brks.)	270	53	59	36	56	49	16	1
Montana:								
Fort Harrison	76	3	11	11	19	25	5	2
Miles City	68	1	4	10	17	26	9	1
Nebraska:								
Grand Island	83	3	17	7	22	22	11	1
Lincoln	92	10	13	11	24	25	6	3
Omaha	203	21	20	14	59	61	20	8
Nevada: Reno	78	7	11	8	21	24	5	2
New Hampshire: Manchester	86	9	11	8	23	22	9	4
New Jersey:								
East Orange	470	38	66	37	132	139	42	16
Lyons	780	54	119	76	227	232	59	13
New Mexico: Albuquerque	260	25	44	34	63	69	22	3
New York:								
Albany	305	9	43	15	72	111	37	18
Batavia	111	....	3	4	15	53	24	12
Bath	187	1	8	13	48	59	39	19
Bronx	370	26	66	45	108	91	31	3
Brooklyn (Brooklyn)	454	31	75	37	118	112	68	13
Brooklyn (St. Albans)	38	....	1	3	6	18	8	2
Buffalo	501	18	52	37	141	183	50	20
Canandaigua	598	23	56	49	145	218	92	15
Castle Point	173	4	17	12	41	67	21	11
Montrose	679	85	170	72	143	161	37	11
New York	479	33	98	39	133	109	58	9
Northport	623	38	81	54	146	221	66	17
Syracuse	176	8	14	16	45	68	21	4
North Carolina:								
Asheville	302	3	16	18	93	119	41	12
Durham	285	20	37	22	84	101	17	4
Fayetteville	273	18	30	34	81	85	21	4
Salisbury	643	35	94	64	175	208	54	13
North Dakota: Fargo	97	4	5	10	27	29	16	6
Ohio:								
Chillicothe	558	51	85	65	156	149	43	9
Cincinnati	157	21	23	20	41	31	17	4
Cleveland (Wade Park)	300	26	35	29	85	95	28	2
Cleveland (Brecksville)	271	60	103	29	44	27	8	....
Dayton	382	22	35	27	112	136	41	9

INPATIENT CARE
TABLE 16—Continued
VA Medical Centers—Hospital Care Component: Patients Remaining, Age, By State—September 30, 1988

Location	Total	Age						
		Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
Oklahoma:								
Muskogee	105	....	7	11	33	42	7	5
Oklahoma City	234	18	40	24	71	65	12	4
Oregon:								
Portland (Portland)	329	26	52	29	96	90	24	12
Roseburg	174	17	36	22	30	48	15	6
Pennsylvania:								
Altoona	75	1	3	1	29	28	7	6
Butler	183	....	5	13	50	80	33	2
Coatesville	639	76	162	71	131	138	53	8
Erie	67	....	2	2	19	38	6	....
Lebanon	444	27	53	41	114	158	38	13
Philadelphia	270	16	44	24	68	87	23	8
Pittsburgh (Highland Drive)	460	29	63	57	143	130	32	6
Pittsburgh (University Drive)	241	5	13	17	72	97	29	8
Pittsburgh (U. Dr. Aspinwall)	71	1	2	5	20	22	15	6
Wilkes-Barre	313	12	36	21	69	117	52	6
Puerto Rico: San Juan	571	45	111	84	169	133	19	10
Rhode Island: Providence	182	11	22	15	49	48	23	14
South Carolina:								
Charleston	213	21	42	17	75	46	11	1
Columbia	308	19	25	23	95	93	43	10
South Dakota:								
Fort Meade	237	16	41	18	65	58	28	11
Hot Springs	94	8	9	11	27	23	12	4
Sioux Falls	120	3	12	7	35	47	15	1
Tennessee:								
Memphis	512	53	97	43	140	134	33	12
Mountain Home	304	9	30	27	82	113	35	8
Murfreesboro	528	30	92	58	148	143	49	8
Nashville	225	7	22	39	69	66	19	3
Texas:								
Amarillo	86	4	8	12	22	30	8	2
Big Spring	131	17	21	15	34	28	14	2
Bonham	49	1	13	6	10	12	6	1
Dallas	425	35	76	56	121	113	18	6
Houston	591	59	106	63	177	136	41	9
Kerrville	168	5	24	11	36	51	30	11
Marlin	129	3	2	7	27	56	25	9
San Antonio	381	40	57	38	113	103	25	5
Temple	334	15	40	36	90	102	43	8
Waco	592	52	94	57	142	174	60	13
Utah: Salt Lake City	215	17	30	30	55	60	15	8
Vermont: White River Junction	94	4	8	9	24	38	9	2
Virginia:								
Hampton	248	22	43	32	64	68	15	4
Richmond	484	44	68	56	132	140	33	11
Salem	575	33	78	56	148	197	50	13
Washington:								
American Lake	184	17	45	21	39	43	13	6
Seattle	248	26	53	22	60	61	21	5
Spokane	82	2	1	2	26	31	13	7
Walla Walla	78	7	14	9	18	22	7	1
West Virginia:								
Beckley	82	2	5	8	22	33	9	3
Clarksburg	143	2	21	7	36	45	26	6
Huntington	108	5	4	13	32	40	8	6
Martinsburg	244	12	20	14	56	83	50	9
Wisconsin:								
Madison	188	4	15	15	66	58	22	8
Milwaukee	407	42	59	39	116	114	29	8
Tomah	491	28	104	69	118	124	41	7
Wyoming:								
Cheyenne	42	3	8	3	16	8	4	....
Sheridan	243	29	71	36	36	49	17	5

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

TABLE 17

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Discharged, Manner of Disposition,
Diagnostic Group—Fiscal Year 1988

Diagnostic Composition of Patients ¹	Total Discharges	Disposition			
		Regular	Irregular	Deaths	Transfers to VA or Non-VA Hospitals
All Discharges	1,071,147	939,636	46,562	46,011	38,938
Psychotic	98,258	77,788	13,654	1,233	5,583
Alcohol psychoses (291)	6,930	5,624	979	97	230
Drug psychoses (292)	1,528	1,192	309	5	22
Other psychoses (290, 293-299)	89,800	70,972	12,366	1,131	5,331
Other psychiatric	149,902	123,447	21,998	264	4,193
Alcohol dependence and abuse (303, 305.0)	93,085	77,042	13,817	56	2,170
Drug dependence and abuse (304, 305.1-305.9)	21,607	17,076	4,058	7	466
Other nonpsychotic mental disorders (300-302, 306-319)	35,210	29,329	4,123	201	1,557
Medical and surgical	822,987	738,401	10,910	44,514	29,162
All infectious and parasitic diseases (001-139)	16,449	12,721	372	2,986	370
Malignant neoplasms (140-208, 230-234)	91,986	73,687	747	13,726	3,826
Benign and unspecified neoplasms (210-229, 235-239)	14,692	14,056	90	122	424
Diabetes mellitus (250)	18,791	17,831	320	324	316
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278) ...	12,368	11,354	175	608	231
Disorders involving the immune mechanisms (279)	184	172	1	9	2
Disorders of the blood and blood-forming organs (280-289)	9,200	8,673	118	214	195
Quadriplegia (344.0)	317	273	.....	12	32
Paraplegia (344.1)	261	231	5	7	18
Other diseases of the nervous system (320-343, 344.2-359)	26,329	23,380	360	1,322	1,267
Diseases of the sense organs (360-389)	27,724	27,034	76	11	603
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429)	110,549	96,301	1,574	5,685	6,989
Cerebrovascular diseases (430-438)	21,730	18,443	212	1,959	1,116
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459)	40,021	36,783	517	1,379	1,342
Acute respiratory diseases (460-466, 480-487)	26,002	22,194	348	3,113	347
Chronic bronchitis and emphysema (491-492)	6,890	6,449	79	302	60
Other respiratory diseases (470-478, 490, 493-519)	48,076	42,291	524	4,362	899
Diseases of the oral cavity, salivary glands, and jaws (520-529)	4,500	4,343	29	9	119
Hernia of the abdominal cavity (550-553)	18,439	18,114	85	49	191
Alcohol-related liver diseases (571.0-571.3)	6,215	4,934	244	922	115
Other diseases of the digestive system (530-543, 555-570, 571.4-579)	64,256	58,820	1,061	2,670	1,705
Diseases of the male genital organs (600-608)	21,507	21,083	69	47	308
Other diseases of the genitourinary system (580-599)	31,575	28,344	288	1,380	1,563
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676)	1,701	1,669	9	1	22
Diseases of the skin and subcutaneous tissue (680-709)	20,156	18,701	491	369	595
Diseases of the musculoskeletal system and connective tissue (710-739) ..	43,026	41,048	480	220	1,278
Congenital anomalies (740-759)	1,798	1,689	8	26	75
Symptoms, signs, and ill-defined conditions (780-799)	50,192	45,694	1,382	1,359	1,757
Injuries and poisonings (800-904, 910-999)	42,402	38,322	757	949	2,374
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909)	1	1	.....	.....	.....
Factors influencing health status and contact with health service (V01-V82) .	45,650	43,766	489	372	1,023
Supplementary classification of external causes of injury and poisoning (E800-E999) .....	.....	.....	.....	.....	.....

¹ The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Pub. No. 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

VA Medical Centers—Hospital Care Component: Diagnostic Group by Age—Patients Discharged—Fiscal Year 1988

Diagnostic Group ¹	Total Diagnoses	Principal Diagnosis ²	Associated Diagnoses ³	Average Age (Principal Diagnosis)	Age Group of Principal Diagnosis						
					Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
All diseases and conditions	4,214,226	1,071,147	3,143,079	58.1	88,484	161,416	117,972	311,808	294,636	74,402	22,429
I. Infectious and parasitic diseases	107,771	16,449	91,322	56.2	1,956	3,253	1,790	3,819	3,833	1,235	563
Pulmonary tuberculosis (011)	3,387	1,502	1,885	57.6	78	230	236	518	341	71	28
Tuberculosis, other (010, 012-018)	586	255	331	56.2	26	49	33	57	71	15	4
Tuberculosis, late effects (137)	363	.....	363	(4)	.....	.....	.....	.....	.....	.....	.....
All other infectious and parasitic diseases (001-009, 020-136)	103,211	14,692	88,519	56.0	1,852	2,974	1,521	3,244	3,421	1,149	531
Late effects of other infectious and parasitic diseases (138-139)	224	.....	224	(4)	.....	.....	.....	.....	.....	.....	.....
II. Neoplasms	229,486	106,678	122,808	64.5	1,442	3,914	8,648	39,186	41,084	10,255	2,149
Malignant neoplasm of lip, oral cavity, and pharynx (140-149, 230.0)	8,307	5,354	2,953	62.3	20	202	659	2,517	1,632	292	32
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9)	20,581	14,526	6,055	65.5	49	396	1,100	5,273	5,770	1,562	376
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2)	35,796	23,603	12,193	64.5	34	421	1,929	10,018	9,121	1,895	185
Malignant neoplasm of other respiratory system and intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9)	5,003	3,370	1,633	62.7	14	118	387	1,498	1,170	160	23
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208)	14,630	7,667	6,963	61.1	402	659	740	2,570	2,507	655	134
Malignant neoplasm of genitourinary organs (179-189, 233)	29,375	17,283	12,092	68.2	129	231	608	4,973	7,986	2,656	700
Malignancies of all other systems (170-175, 190-199, 232, 234)	86,372	20,183	66,189	63.6	418	996	1,864	7,384	7,275	1,737	509
Neoplasms, benign (210-229)	22,883	11,798	11,085	62.8	298	717	1,123	4,032	4,547	969	112
Neoplasms of unspecified nature (235-239)	6,539	2,894	3,645	64.0	78	174	238	921	1,076	329	78
III. Endocrine, nutritional, and metabolic diseases and immunity disorders	306,216	31,343	274,873	61.2	977	3,055	3,909	10,762	9,415	2,375	850
Diabetes mellitus (250)	145,876	18,791	127,085	59.7	633	2,064	2,591	6,850	5,468	1,023	162
Diseases of the endocrine glands (240-246, 251-259)	20,251	3,102	17,149	60.9	131	288	398	1,008	953	258	66
Gout (274)	12,522	1,058	11,464	63.7	15	74	99	368	359	106	37
Obesity (278.0-278.1)	24,093	395	23,698	54.9	20	61	89	152	70	3	.....
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.8)	102,902	7,813	95,089	65.4	144	510	685	2,348	2,556	985	585
Disorders involving the immune mechanisms (279)	572	184	388	45.4	34	58	47	36	9	.....	.....

See footnotes at end of table.

VA Medical Centers—Hospital Care Component: Diagnostic Group by Age—Patients Discharged—Fiscal Year 1988

Diagnostic Group ¹	Total Diagnoses	Principal Diagnosis ²	Associated Diagnoses ³	Average Age (Principal Diagnosis)	Age Group of Principal Diagnosis						
					Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
IV. Diseases of the blood and blood-forming organs	98,617	9,200	89,417	63.6	376	709	792	2,569	3,271	1,083	400
Anemias (280-282.4, 282.7-285)	72,894	6,229	66,665	65.1	171	398	481	1,730	2,286	826	337
Sickle-cell trait and sickle-cell anemia (282.5-282.6)	699	190	509	41.4	55	83	29	14	8	1	.....
Other diseases of the blood and blood-forming organs (286-289)	25,024	2,781	22,243	61.7	150	228	282	825	977	256	63
V. Mental disorders	633,000	248,160	384,840	45.9	54,760	91,009	35,036	39,504	21,554	4,709	1,588
Alcohol psychosis (291)	32,065	6,930	25,135	52.6	685	1,731	1,209	1,917	1,165	208	15
Drug psychosis (292)	5,202	1,528	3,674	43.2	504	594	91	152	130	46	11
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294)	23,155	8,791	14,364	68.7	262	402	407	1,717	3,264	1,884	855
Schizophrenic disorders (295)	70,595	51,181	19,414	43.0	14,738	19,457	6,678	6,837	3,091	326	54
Other psychoses (296-299)	52,695	29,828	22,867	50.1	4,991	8,569	4,350	6,241	4,416	953	308
Neurotic disorders (300)	38,115	8,094	30,021	49.5	1,156	2,725	1,155	1,647	1,159	209	43
Personality disorders (301)	43,231	3,829	39,402	39.9	1,373	1,664	365	265	125	28	9
Alcohol dependence or abuse (303, 305.0)	199,576	93,085	106,491	45.8	17,798	33,868	17,463	17,537	5,994	404	21
Drug dependence or abuse (304, 305.1-305.9)	102,714	21,607	81,107	36.2	10,154	9,725	1,146	457	110	8	7
Other nonpsychotic mental disorders (302, 306-319)	65,652	23,287	42,365	46.0	3,099	12,274	2,172	2,734	2,100	643	265
VI. Diseases of the nervous system and sense organs	226,690	54,631	172,059	61.8	2,497	5,197	5,059	17,010	18,399	5,211	1,258
Quadriplegia (344.0)	5,049	317	4,732	47.5	73	92	36	62	44	9	1
Paraplegia (344.1)	6,172	261	5,911	51.0	46	57	40	64	44	8	2
Epilepsy (345)	28,649	5,729	22,920	53.9	712	1,156	792	1,598	1,173	243	55
Disorders of the peripheral nervous system (350-359)	24,265	6,435	17,830	58.3	353	877	845	2,163	1,821	327	49
Other diseases of the central nervous system (320-343, 344.2-344.9, 346-349)	78,846	14,165	64,681	61.3	785	1,632	1,381	3,706	4,699	1,600	362
Glaucoma (365)	10,718	1,345	9,373	65.5	8	57	91	447	564	147	31
Cataract (366)	20,311	14,966	5,345	67.2	39	252	821	5,100	6,119	2,060	575
Blindness (369)	5,144	105	5,039	62.9	5	5	12	34	34	11	4
Disorders of the eye and adnexa (360-364, 367-368, 370-379)	29,993	7,846	22,147	62.8	234	607	596	2,676	2,938	658	137
Diseases of the ear and mastoid process (380-389)	17,543	3,462	14,081	57.9	242	462	445	1,160	963	148	42
VII. Diseases of the circulatory system	883,072	172,300	710,772	63.8	1,815	8,416	17,432	63,525	62,103	14,802	4,207
Chronic rheumatic heart disease (393-398)	4,750	939	3,811	61.3	16	68	136	373	281	54	11

See footnotes at end of table.

VA Medical Centers—Hospital Care Component: Diagnostic Group by Age—Patients Discharged—Fiscal Year 1988

	Total Diagnoses	Principal Diagnosis ²	Associated Diagnoses ³	Average Age (Principal Diagnosis)	Age Group of Principal Diagnosis							
					Under 35	35–44	45–54	55–64	65–74	75–84	85 and Over	
Diagnostic Group ¹												
Hypertensive disease without heart involvement (401, 403, 405)	207,593	9,449	198,144	60.4	246	941	1,235	3,433	2,986	515	93	
Hypertensive heart disease (402, 404)	7,785	2,198	5,587	64.9	9	80	178	800	853	225	53	
Acute myocardial infarction (410)	19,534	11,640	7,894	63.5	64	663	1,307	4,353	3,982	976	295	
Other ischemic heart disease (411–414)	226,220	49,517	176,703	62.3	167	2,479	6,514	20,865	16,212	2,731	549	
Other forms of heart disease (391, 392.0, 420–429)	221,573	46,255	175,318	66.0	476	1,529	3,297	15,144	18,304	5,510	1,995	
Cerebrovascular diseases (430–438)	73,930	21,730	52,200	65.7	119	587	1,668	7,577	8,744	2,350	685	
Atherosclerosis (440)	15,583	2,195	13,388	65.2	3	39	202	812	904	188	47	
Other diseases of arteries, arterioles, and capillaries (441–448) ..	50,636	14,080	36,556	64.6	91	403	1,186	5,400	5,638	1,161	201	
Varicose veins of lower extremities (454)	5,120	1,572	3,548	61.9	60	147	161	500	519	140	45	
Hemorrhoids (455)	12,285	3,096	9,189	56.3	185	581	459	991	741	121	18	
Other diseases of the circulatory system (390, 392.9, 415–417, 451–453, 456–459)	38,063	9,629	28,434	61.2	379	899	1,089	3,277	2,939	831	215	
VIII. Diseases of the respiratory system	314,203	80,968	233,235	64.4	2,199	4,388	6,068	26,209	30,352	8,651	3,101	
Acute respiratory infections (460–466)	20,750	5,778	14,972	62.8	267	373	428	1,987	2,066	484	173	
Pneumonia and influenza (480–487)	44,053	20,224	23,829	66.2	570	1,246	1,398	5,305	7,174	2,912	1,619	
Chronic bronchitis (491)	14,836	4,752	10,084	65.4	23	100	285	1,790	2,027	462	65	
Emphysema (492)	11,951	2,138	9,813	76.6	9	47	124	791	929	212	26	
Other diseases of the respiratory system and upper respiratory tract (470–478, 490, 493–519)	222,613	48,076	174,537	63.7	1,330	2,622	3,833	16,336	18,156	4,581	1,218	
IX. Diseases of the digestive system	322,265	93,410	228,855	59.9	4,716	11,062	11,279	30,292	27,374	6,717	1,970	
Diseases of oral cavity, salivary glands, and jaws (520–529)	45,427	4,500	40,927	55.5	524	657	564	1,434	1,118	159	44	
Ulcers of the digestive system (530.2, 531–534)	31,749	8,311	23,438	61.4	286	799	908	2,799	2,682	643	194	
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3–530.9, 535–537)	45,404	9,739	35,665	60.8	371	1,043	1,128	3,191	3,065	725	216	
Hernia of the abdominal cavity (550–553)	37,027	18,439	18,588	60.7	841	1,740	1,978	6,356	5,907	1,387	230	
Other diseases of the intestine and peritoneum (540–543, 555–569, 578–579)	97,094	30,581	66,513	61.3	1,649	3,165	3,153	9,026	9,609	2,901	1,078	
Alcohol-related liver disorders (571.0–571.3)	23,565	6,215	17,350	56.1	168	1,051	1,225	2,451	1,215	100	5	
Other diseases of the liver, gallbladder, and pancreas (570, 571.4–577)	41,999	15,625	26,374	57.3	877	2,607	2,323	5,035	3,778	802	203	
X. Diseases of the genitourinary system	201,192	54,759	146,433	63.7	1,979	3,793	4,167	16,730	20,214	5,870	2,006	
Nephritis, nephrotic syndrome, and nephrosis (580–589)	32,330	6,219	26,111	61.8	220	586	672	2,084	1,900	567	190	
Other diseases of the urinary system (590–599)	113,542	25,356	88,186	63.9	989	2,165	2,051	6,911	8,728	3,089	1,423	
Diseases of the prostate (600–602)	36,602	15,451	21,151	67.4	43	83	451	5,162	7,536	1,861	315	

See footnotes at end of table.

INPATIENT CARE

TABLE 18—Continued

VA Medical Centers—Hospital Care Component: Diagnostic Group by Age—Patients Discharged—Fiscal Year 1988

Diagnostic Group ¹	Total Diagnoses	Principal Diagnosis ²	Associated Diagnoses ³	Average Age (Principal Diagnosis)	Age Group of Principal Diagnosis						
					Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
Other diseases of the male genital organs (603-608)	14,756	6,056	8,700	58.8	331	646	817	2,222	1,710	272	58
Disorders of breast and gynecological diseases (610-629)	3,962	1,677	2,285	51.1	396	313	176	351	340	81	20
XI. Complications of pregnancy, childbirth, and puerperium (630-676)	42	24	18	(4)	20	4	.....	.....	.....	.....	.....
XII. Diseases of the skin and subcutaneous tissue	81,070	20,156	60,914	57.7	1,627	3,117	2,557	5,977	5,171	1,277	430
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698)	40,016	11,833	28,183	56.8	1,062	1,966	1,526	3,498	2,909	637	235
Other diseases of skin and subcutaneous tissue (700-709)	41,054	8,323	32,731	58.9	565	1,151	1,031	2,479	2,262	640	195
XIII. Diseases of the musculoskeletal system and connective tissue	166,966	43,026	123,940	56.2	4,217	6,861	5,652	12,884	10,876	2,081	455
Osteoarthritis and allied disorders (715)	36,076	6,044	30,032	63.0	159	416	509	2,027	2,340	487	106
Other arthropathies and related disorders (710-714, 716-719) ..	33,969	8,064	25,905	52.5	1,516	1,436	958	2,052	1,723	304	75
Dorsopathies (720-724)	49,933	14,404	35,529	55.1	1,219	2,798	2,253	4,328	3,139	568	99
Rheumatism, excluding the back (725-729)	19,765	6,692	13,073	56.8	518	1,039	910	2,156	1,710	309	50
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739)	27,223	7,822	19,401	56.5	805	1,172	1,022	2,321	1,964	413	125
XIV. Congenital deformities (740-759)	7,709	1,798	5,911	58.1	165	230	203	515	540	118	27
XVI. Symptoms, signs, and ill-defined conditions (780-799)	229,039	50,192	178,847	60.5	2,277	5,578	5,973	16,162	15,047	3,807	1,348
XVII. Injury and poisoning	129,322	42,403	86,919	56.7	4,840	6,638	4,777	11,869	10,432	2,743	1,104
Fracture of skull (800-804)	2,479	1,370	1,109	43.6	420	467	164	192	99	19	9
Fracture of neck and trunk (805-809)	4,925	1,829	3,096	58.9	200	241	185	473	477	158	95
Fracture of upper and lower limb (810-829)	14,431	8,520	5,911	59.8	771	1,222	814	2,228	2,088	881	516
Dislocations, sprains, and strains of joints and adjacent muscles (830-848)	7,008	3,630	3,378	50.2	782	757	462	894	617	92	26
Intracranial injury, excluding those with skull fracture (850-854)	2,972	1,657	1,315	53.8	306	310	169	351	338	128	55
Internal injury of chest, abdomen, and pelvis (860-869)	1,331	527	804	52.0	88	116	76	119	101	22	5
Open wounds (870-897)	8,987	2,686	6,301	49.4	582	678	343	586	381	88	28
Burns (940-949)	2,584	910	1,674	54.7	112	172	113	265	194	42	12

See footnotes at end of table.

INPATIENT CARE

TABLE 18—Continued

VA Medical Centers—Hospital Care Component: Diagnostic Group by Age—Patients Discharged—Fiscal Year 1988

	Diagnostic Group ¹	Total Diagnoses	Principal Diagnosis ²	Associated Diagnoses ³	Average Age (Principal Diagnosis)	Age Group of Principal Diagnosis						
						Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over
	Poisoning by drugs, medicinal, and biological substances (960-979)	6,904	2,076	4,828	53.9	299	470	230	467	441	129	40
	Toxic effects of substances chiefly nonmedical as to source (980-989)	971	288	683	49.7	53	75	34	73	52	.....	1
	All other injuries (900-904, 910-939, 950-959, 990-995)	17,108	3,876	13,232	56.6	463	607	424	1,076	929	262	115
	Complications of surgical and medical care, NEC (996-999)	46,629	15,033	31,596	60.0	763	1,523	1,763	5,145	4,715	922	202
	Late effects of injuries, poisonings, toxic effects, and other external causes (905-909)	12,993	1	12,992	(4)	1	.....	.....	.....	.....	.....	.....
	XVIII. Factors influencing health status and contact with health services (V01-V82)	277,566	45,650	231,916	60.7	2,621	4,192	4,630	14,795	14,971	3,468	973

¹ The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. Category XV, "Certain Conditions Originating in the Perinatal Period," in which no cases occurred, is not included in this table.

² Principal diagnosis is that diagnosis designated by the discharge physician as responsible for the major portion of the patient's length of stay.

³ Associated diagnoses are established diagnoses for which treatment was given, other than the principal diagnosis.

⁴ Average age not calculated for totals of less than 100 cases.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

**VA Medical Centers—Hospital Care Component: Patients Discharged, Type of Patient, Age, Length of Stay
Fiscal Year 1988**

Type of Patient and Age Group	Total		Short Term ²		Percent of Total Discharges	Length of Stay (Days)											731-Plus	Total Days	
	Patients	Average Days	Median Days ¹	Average Days		1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365			366-730
All Patients	1,071,147	19.0	7.8	12.3	98.2	94,755	209,198	240,253	220,692	106,887	84,030	74,481	18,376	13,956	3,401	1,539	1,860	1,719	20,299,689
Under 25	7,693	14.4	6.1	11.1	98.2	1,162	1,850	1,558	1,068	642	671	471	104	113	31	15	7	1	110,499
25-29	26,341	17.0	8.8	13.8	98.4	2,773	4,754	5,192	4,061	3,141	3,216	2,258	445	335	89	36	28	13	448,104
30-34	54,450	16.9	9.3	14.0	98.6	5,744	8,911	10,828	9,160	6,324	6,913	4,734	916	642	160	46	51	21	918,477
35-39	85,170	17.8	9.3	14.2	98.3	8,599	14,277	16,838	14,749	9,410	10,252	7,749	1,604	1,196	265	100	87	44	1,512,928
40-44	76,246	17.1	8.5	13.6	98.4	7,292	13,964	15,794	13,634	7,860	8,323	6,506	1,437	1,037	198	84	77	50	1,301,259
45-49	48,676	17.7	7.7	12.4	98.4	4,673	9,651	10,719	9,180	4,732	4,452	3,571	789	570	139	62	80	58	862,925
50-54	69,296	17.2	7.4	11.7	98.5	6,224	14,592	16,129	13,880	6,400	5,357	4,505	988	767	184	80	101	89	1,194,019
55-59	120,382	17.4	7.5	11.6	98.5	10,516	25,211	28,107	25,351	11,359	8,221	7,603	1,862	1,329	325	169	177	152	2,095,755
60-64	191,426	18.0	7.4	11.4	98.4	16,290	40,473	44,944	41,641	18,096	11,924	11,522	2,969	2,188	545	246	263	325	3,451,741
65-69	187,598	18.9	7.6	11.6	98.2	15,853	38,757	44,028	41,109	18,013	11,388	11,502	3,070	2,306	599	263	358	352	3,551,379
70-74	107,038	22.2	7.9	12.1	97.7	8,665	20,677	24,713	24,085	10,481	6,601	6,984	2,004	1,639	409	192	299	289	2,373,388
75-79	54,122	22.8	8.7	12.9	97.3	4,150	9,600	12,044	12,314	5,716	3,587	3,872	1,187	978	243	122	167	142	1,235,946
80-84	20,280	26.3	9.3	13.3	96.9	1,402	3,340	4,437	4,916	2,121	1,413	1,494	457	407	87	53	76	77	532,952
85 and over	22,429	31.7	10.2	14.0	96.6	1,412	3,141	4,932	5,544	2,592	1,712	1,710	544	449	127	71	89	106	710,317
Psychotic	98,258	59.7	17.7	21.1	92.9	5,100	7,299	13,384	18,076	13,501	13,116	15,513	4,518	4,001	1,194	619	891	1,046	5,866,541
Under 25	1,131	23.9	15.7	19.4	97.1	71	85	179	214	163	161	185	33	29	7	4	.....	.....	26,989
25-29	6,267	26.8	15.1	19.3	96.1	447	493	993	1,191	927	778	924	236	181	55	20	12	10	168,259
30-34	13,782	25.5	14.2	18.6	96.8	1,072	1,133	2,241	2,764	1,866	1,774	1,924	490	353	86	28	34	17	351,365
35-39	17,822	28.5	14.9	19.0	96.1	1,174	1,546	2,726	3,468	2,531	2,416	2,536	635	510	135	50	63	32	508,430
40-44	12,931	31.2	16.3	20.1	95.6	687	1,045	1,884	2,475	1,926	1,861	1,859	528	437	105	43	47	34	403,779
45-49	6,494	41.9	17.1	20.7	94.6	329	526	912	1,196	941	881	1,018	297	227	60	29	44	34	272,365
50-54	6,241	58.6	18.8	22.0	92.8	264	432	825	1,126	865	838	1,113	277	256	85	40	58	62	365,987
55-59	8,148	71.8	20.8	23.5	91.3	321	539	956	1,343	1,090	1,170	1,468	470	399	108	81	102	101	585,069
60-64	8,716	110.6	22.6	24.4	88.2	273	554	903	1,423	1,120	1,177	1,651	514	469	182	95	133	222	964,088
65-69	7,805	112.5	23.4	24.9	87.1	223	471	820	1,260	965	1,066	1,429	470	483	169	95	151	203	878,064
70-74	4,261	149.2	23.4	25.2	84.1	115	253	456	706	524	463	716	292	311	81	65	118	161	635,626
75-79	2,402	127.6	22.5	24.3	84.0	63	130	257	441	296	276	381	131	192	58	39	61	77	306,602
80-84	1,015	156.3	22.7	25.0	83.3	27	34	91	212	134	110	155	69	75	25	11	29	43	158,651
85 and over	1,243	194.1	21.0	23.4	83.3	34	58	141	257	153	145	154	76	79	38	19	39	50	241,287
Other Psychiatric	149,902	20.1	14.1	17.0	98.6	11,116	16,509	26,528	23,769	21,335	28,441	17,137	2,552	1,822	351	142	119	81	3,011,515
Under 25	1,916	17.4	14.2	16.2	99.2	146	191	319	336	325	405	153	23	12	4	1	1	.....	33,429
25-29	10,038	19.1	16.1	17.4	99.0	789	920	1,575	1,455	1,787	2,184	1,065	131	101	18	6	6	1	191,355
30-34	21,626	18.1	14.6	16.6	99.1	1,840	2,255	3,612	3,281	3,434	4,472	2,207	273	184	50	10	7	1	392,466
35-39	34,389	19.4	14.4	17.3	98.7	2,872	3,793	5,752	5,216	4,879	6,579	4,034	678	461	82	30	10	3	667,468
40-44	25,867	19.5	14.4	17.5	98.7	1,957	3,062	4,346	3,892	3,445	4,965	3,200	544	380	47	18	9	2	503,355
45-49	11,460	18.9	13.8	16.7	98.9	857	1,339	2,119	1,701	1,542	2,253	1,325	160	125	20	10	6	3	216,689
50-54	10,841	19.1	13.0	16.2	98.9	677	1,263	2,196	1,762	1,405	2,079	1,186	135	95	20	10	9	4	206,934
55-59	11,773	19.4	13.4	16.6	98.8	746	1,346	2,339	1,885	1,597	2,102	1,414	175	114	25	15	9	6	228,570
60-64	10,867	21.4	13.2	16.5	98.7	615	1,199	2,139	1,981	1,476	1,835	1,273	186	100	22	14	11	16	232,177
65-69	6,927	24.7	12.8	16.4	97.7	424	759	1,381	1,319	876	1,055	797	139	105	26	12	18	16	170,862
70-74	2,561	30.8	13.3	17.0	95.6	122	228	499	573	326	336	295	59	72	20	10	11	10	78,914
75-79	974	45.9	14.2	17.6	93.8	44	101	147	219	147	114	109	25	38	10	2	9	9	44,742
80-84	318	56.8	14.4	18.7	91.5	10	29	57	68	44	30	39	10	16	3	1	7	4	18,077
85 and over	345	76.7	15.4	19.3	89.9	17	24	47	81	52	32	40	14	19	4	3	6	6	26,477
Medical and Surgical	822,987	13.9	6.9	10.5	98.7	78,539	185,390	200,341	178,847	72,051	42,473	41,831	11,306	8,133	1,856	778	850	592	11,421,633
Under 25	4,646	10.8	3.7	6.9	98.0	945	1,574	1,060	518	154	105	133	48	72	20	10	6	1	50,081
25-29	10,036	8.8	4.2	7.0	99.2	1,537	3,341	2,624	1,415	427	254	269	78	53	16	10	10	2	88,490
30-34	19,042	9.2	4.9	7.7	99.3	2,832	5,523	4,975	3,115	1,024	667	603	153	105	24	8	10	3	174,646

See footnotes at end of table.

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Discharged, Type of Patient, Age, Length of Stay
Fiscal Year 1988

Type of Patient and Age Group	Total		Short Term ²		Length of Stay (Days)														Total Days
	Patients	Average Days	Median Days ¹	Average Days	Percent of Total Discharges	1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731-Plus	
35-39	32,959	10.2	5.4	8.4	99.2	4,553	8,938	8,360	6,065	2,000	1,257	1,179	291	225	48	20	14	9	337,030
40-44	37,448	10.5	5.8	8.8	99.3	4,648	9,857	9,554	7,267	2,489	1,497	1,447	365	220	46	23	21	14	394,125
45-49	30,722	12.2	6.1	9.2	99.0	3,487	7,786	7,688	6,283	2,249	1,318	1,228	332	218	59	23	30	21	373,871
50-54	52,214	11.9	6.4	9.6	99.1	5,283	12,897	13,108	10,992	4,130	2,440	2,206	576	416	79	30	34	23	621,098
55-59	100,461	12.8	6.8	10.1	99.0	9,449	23,326	24,812	22,123	8,672	4,949	4,721	1,217	816	192	73	66	45	1,282,116
60-64	171,843	13.1	7.0	10.5	98.9	15,402	38,720	41,902	38,530	15,500	8,912	8,598	2,269	1,619	341	137	119	87	2,255,496
65-69	172,866	14.5	7.2	10.8	98.7	15,206	37,527	41,827	38,830	16,172	9,267	9,276	2,461	1,718	404	156	189	133	2,502,453
70-74	100,216	16.6	7.6	11.5	98.3	8,428	20,196	23,758	22,806	9,631	5,802	5,973	1,653	1,256	308	117	170	118	1,658,848
75-79	50,746	17.4	8.1	12.4	98.0	4,043	9,369	11,640	11,654	5,273	3,197	3,382	1,031	748	175	81	97	56	884,602
80-84	18,947	18.8	8.8	12.7	97.7	1,365	3,277	4,289	4,636	1,943	1,273	1,300	378	316	59	41	40	30	356,224
85 and over	20,841	21.2	9.7	13.4	97.5	1,361	3,059	4,744	5,206	2,387	1,535	1,516	454	351	85	49	44	50	442,553

¹ One-half of the discharges in the given category have length of stay greater than the median, the other half less than the median.

² Includes hospital stays of 1 to 99 days and conforms to the definition adopted by the Commission on Professional and Hospital Activities.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Discharged, Age, Marital Status, Diagnostic Group—Fiscal Year 1988

INPATIENT CARE

TABLE 20

VA Medical Centers—Hospital Care Component: Patients Discharged, Age, Marital Status, Diagnostic Group—Fiscal Year 1988

Diagnostic Composition of Patients ¹	Total	Age Group						Marital Status						
		Under 35	35-44	45-54	55-64	65-74	75-84	85 and Over	Never Married	Married	Separated	Widowed	Divorced	Unknown ²
All discharges	1,071,147	88,484	161,416	117,972	311,808	294,636	74,402	22,429	135,412	543,572	69,103	80,448	235,705	6,907
Psychotic	98,258	21,180	30,753	12,735	16,864	12,066	3,417	1,243	31,701	28,000	8,603	4,010	25,035	909
Alcohol psychoses (291)	6,930	685	1,731	1,209	1,917	1,165	208	15	1,260	1,826	680	428	2,682	54
Drug psychoses (292)	1,528	504	594	91	152	130	46	11	362	535	167	46	404	14
Other psychoses (290, 293, 299)	89,800	19,991	28,428	11,435	14,795	10,771	3,163	1,217	30,079	25,639	7,756	3,536	21,949	841
Other psychiatric	149,902	33,580	60,256	22,301	22,640	9,488	1,292	345	27,709	45,331	17,961	5,456	52,824	621
Alcohol dependence and abuse 303, 305.0)	93,085	17,798	33,868	17,463	17,537	5,994	404	21	16,824	24,096	10,928	3,857	37,076	304
Drug dependence and abuse (304, 305.1-305.9)	21,607	10,154	9,725	1,146	457	110	8	7	5,671	6,073	3,787	250	5,681	145
Other nonpsychotic mental disorders (300-302, 306-319)	35,210	5,628	16,663	3,692	4,646	3,384	880	317	5,214	15,162	3,246	1,349	10,067	172
Medical and surgical	822,987	33,724	70,407	82,936	272,304	273,982	69,693	20,841	76,002	470,241	42,539	70,982	157,846	5,377
All infectious and parasitic diseases (001-139)	16,449	1,956	3,253	1,790	3,819	3,833	1,235	563	3,134	7,151	1,391	1,272	3,353	148
Malignant neoplasms (140-208, 230-234)	91,986	1,066	3,023	7,287	34,233	35,461	8,957	1,959	7,209	53,736	4,443	8,844	17,248	506
Benign and unspecified neoplasms, (210-229, 235-239)	14,692	376	891	1,361	4,953	5,623	1,298	190	1,246	9,063	700	1,128	2,485	70
Diabetes mellitus (250)	18,791	633	2,064	2,591	6,850	5,468	1,023	162	1,777	10,329	1,229	1,472	3,880	104
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278)	12,368	310	933	1,271	3,876	3,938	1,352	688	1,308	6,394	679	1,422	2,471	94
Disorders involving the immune mechanisms (279)	184	34	58	47	36	9	.....	.....	18	84	22	2	58	.....
Diseases of the blood and blood-forming organs (280-289)	9,200	376	709	792	2,569	3,271	1,083	400	1,014	5,067	486	979	1,616	38
Quadriplegia (344.0)	317	73	92	36	62	44	9	1	81	126	11	7	71	21
Paraplegia (344.1)	261	46	57	40	64	44	8	2	51	125	7	9	61	8
Other diseases of the nervous system (320-343, 344.2-359)	26,329	1,850	3,665	3,018	7,467	7,693	2,170	466	2,666	15,498	1,295	1,742	4,894	234
Diseases of the sense organs (360-389)	27,724	528	1,383	1,965	9,417	10,618	3,024	789	2,224	16,244	1,265	2,712	5,045	234
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429)	110,549	732	4,819	11,432	41,535	39,632	9,496	2,903	6,605	71,400	4,460	9,309	18,112	663
Cerebrovascular diseases (430-438)	21,730	119	587	1,668	7,577	8,744	2,350	685	1,442	13,439	924	2,138	3,610	177
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459)	40,021	964	3,010	4,332	14,413	13,727	2,956	619	3,547	22,635	2,041	3,459	8,118	221
Acute respiratory diseases (460-466, 480-487)	26,002	837	1,619	1,826	7,292	9,240	3,396	1,792	2,523	13,669	1,417	3,233	4,966	194
Chronic bronchitis and emphysema (491-492)	6,890	32	147	409	2,581	2,956	674	91	491	3,845	339	760	1,430	25
Other respiratory diseases (470-478, 490, 493-519)	48,076	1,330	2,622	3,833	16,336	18,156	4,581	1,218	3,963	26,845	2,359	4,748	9,847	314
Diseases of the oral cavity, salivary glands, and jaws (520-529)	4,500	524	657	564	1,434	1,118	159	44	648	2,329	299	264	919	41
Hernia of the abdominal cavity (550-553)	18,439	841	1,740	1,978	6,356	5,907	1,387	230	1,876	10,399	1,024	1,423	3,653	64
Alcohol-related liver diseases (571.0-571.3)	6,215	168	1,051	1,225	2,451	1,215	100	5	616	2,431	504	483	2,143	38
Other diseases of the digestive system (530-543, 555-570, 571.4-579)	64,256	3,183	7,614	7,512	20,051	19,134	5,071	1,691	6,620	34,898	3,650	5,302	13,409	377
Diseases of the male genital organs (600-608)	21,507	374	729	1,268	7,384	9,246	2,133	373	1,607	13,898	994	1,724	3,147	137
Other diseases of the genitourinary system (580-599)	31,575	1,209	2,751	2,723	8,995	10,628	3,656	1,613	3,037	18,688	1,517	3,091	4,971	271
Diseases of the breast, gynecological disorders, and complications of pregnancy (610-676)	1,701	416	317	176	351	340	81	20	238	732	107	172	437	15
Diseases of the skin and subcutaneous tissue (680-709)	20,156	1,627	3,117	2,557	5,977	5,171	1,277	430	2,739	9,716	1,443	1,571	4,531	156
Diseases of the musculoskeletal system and connective tissue (710-739)	43,026	4,217	6,861	5,652	12,884	10,876	2,081	455	3,830	25,644	2,178	2,522	8,531	321
Congenital anomalies (740-759)	1,798	165	230	203	515	540	118	27	195	1,072	79	116	319	17
Symptoms, signs, and ill-defined conditions (780-799)	50,192	2,277	5,578	5,973	16,162	15,047	3,807	1,348	4,500	28,593	2,707	4,111	9,991	290
Injuries and poisonings (800-904, 910-999)	42,402	4,839	6,638	4,777	11,869	10,432	2,743	1,104	5,685	20,389	2,809	3,290	9,887	342
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909)	1	1	.....	.....	.....	.....	.....	.....	1	.....	.....	.....	.....	.....
Factors influencing health status and contact with health services (V01-V82)	45,650	2,621	4,192	4,630	14,795	14,971	3,468	973	5,111	25,802	2,160	3,677	8,643	257
Supplementary classification of external causes of injury and poisoning (E800-E999)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

¹The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification.

²Includes all records for which data are unavailable or unknown.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

**VA Medical Centers—Hospital Care Component: Patients Remaining,
Type of Patient, Compensation and Pension Status,
Age—September 30, 1988**

Type of Patient and Age Group	Total All Patients	Service-Connected Veterans				Non-service-Connected Veterans			Non-Veterans ²
		Total	10% or More	Less Than 10%	NSC With SC ¹	Total	Pension	No Claim Pending	
All Patients	48,008	15,426	6,937	375	8,114	32,393	7,466	24,927	189
Under 35	3,818	1,190	773	19	398	2,497	89	2,408	131
35-44	7,560	3,037	1,784	58	1,195	4,497	434	4,063	26
45-54	4,935	1,456	819	20	617	3,465	431	3,034	14
55-64	12,552	3,422	1,535	71	1,816	9,123	2,576	6,547	7
65-74	13,690	4,727	1,618	126	2,983	8,958	2,617	6,341	5
75-84	4,262	1,306	335	37	934	2,950	954	1,996	6
85 and over	1,191	288	73	44	171	903	365	538	.....
Psychotic	12,825	5,621	4,072	109	1,440	7,177	2,087	5,090	27
Under 35	1,400	734	591	13	130	651	44	607	15
35-44	2,548	1,407	1,083	20	304	1,136	220	916	5
45-54	1,588	674	543	11	120	910	169	741	4
55-64	3,089	1,205	882	21	302	1,883	762	1,121	1
65-74	3,030	1,247	811	28	408	1,782	608	1,174	1
75-84	929	291	137	9	145	637	215	422	1
85 and over	241	63	25	7	31	178	69	109	.....
Other psychiatric	7,836	1,992	789	47	1,156	5,812	540	5,272	32
Under 35	1,634	238	74	2	162	1,369	19	1,350	27
35-44	3,106	991	442	27	522	2,110	59	2,051	5
45-54	1,041	206	62	1	143	835	56	779	.....
55-64	1,131	255	89	5	161	876	179	697	.....
65-74	720	241	105	7	129	479	165	314	.....
75-84	154	50	17	1	32	104	45	59	.....
85 and over	50	11	.....	4	7	39	17	22	.....
Medical and surgical	27,347	7,813	2,076	219	5,518	19,404	4,839	14,565	130
Under 35	784	218	108	4	106	477	26	451	89
35-44	1,906	639	259	11	369	1,251	155	1,096	16
45-54	2,306	576	214	8	354	1,720	206	1,514	10
55-64	8,332	1,962	564	45	1,353	6,364	1,635	4,729	6
65-74	9,940	3,239	702	91	2,446	6,697	1,844	4,853	4
75-84	3,179	965	181	27	757	2,209	694	1,515	5
85 and over	900	214	48	33	133	686	279	407	.....

¹ Veterans with compensable service-connected disabilities but treated for non-service-connected disabilities only.

² All patients other than veterans, such as active military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran who is admitted as an Office of Workers Compensation case is classified as a nonveteran.

NOTE: Annual Patient Census. This table as well as others in this hospital inpatient series includes all patients remaining in VA medical centers on the last day of the fiscal year. Approximately 3.4 percent of the records were incomplete and therefore unavailable for inclusion in this table.

TABLE 22

INPATIENT CARE

VA Medical Centers—Hospital Care Component: Patients Discharged, Compensation and Pension Status,
Type of Patient, Age—Fiscal Year 1988

Type of Patient and Age Group	All Patients	Service-Connected				Non-service-Connected			Non-veterans ²
		Total	10% or More	Less Than 10%	NSC With SC ¹	Total	Pension	No Claim Pending	
All patients	1,071,147	346,068	106,000	6,006	234,062	717,794	155,485	562,309	7,285
Under 35	88,484	28,284	14,605	398	13,281	56,804	1,793	55,011	3,396
35-44	161,416	61,473	27,985	920	32,568	98,723	7,646	91,077	1,220
45-54	117,972	33,008	12,306	464	20,238	84,314	9,020	75,294	650
55-64	311,808	84,259	21,708	1,303	61,248	226,613	58,285	168,328	936
65-74	294,636	108,226	23,202	2,001	83,023	185,639	54,773	130,866	771
75-84	74,402	25,491	5,002	442	20,047	48,643	16,541	32,102	268
85 and over	22,429	5,327	1,192	478	3,657	17,058	7,427	9,631	44
Psychotic	98,258	46,073	31,771	611	13,691	51,734	11,282	40,452	451
Under 35	21,180	11,239	8,484	104	2,651	9,639	669	8,970	302
35-44	30,753	16,425	12,007	193	4,225	14,263	2,435	11,828	65
45-54	12,735	5,418	3,858	75	1,485	7,297	1,143	6,154	20
55-64	16,864	6,285	4,009	96	2,180	10,556	3,776	6,780	23
65-74	12,066	5,270	2,897	94	2,279	6,769	2,192	4,577	27
75-84	3,417	1,144	426	16	702	2,261	671	1,590	12
85 and over	1,243	292	90	33	169	949	396	553	2
Other psychiatric	149,902	37,588	12,757	632	24,199	111,020	9,776	101,244	1,294
Under 35	33,580	5,613	1,526	84	4,003	27,019	413	26,606	948
35-44	60,256	19,169	7,622	353	11,194	40,918	1,384	39,534	169
45-54	22,301	4,291	1,274	58	2,959	17,943	1,099	16,844	67
55-64	22,640	4,904	1,284	75	3,545	17,675	4,151	13,524	61
65-74	9,488	3,149	921	41	2,187	6,309	2,285	4,024	30
75-84	1,292	388	116	12	260	889	325	564	15
85 and over	345	74	14	9	51	267	119	148	4
Medical and surgical	822,987	262,407	61,472	4,763	196,172	555,040	134,427	420,613	5,540
Under 35	33,724	11,432	4,595	210	6,627	20,146	711	19,435	2,146
35-44	70,407	25,879	8,356	374	17,149	43,542	3,827	39,715	986
45-54	82,936	23,299	7,174	331	15,794	59,074	6,778	52,296	563
55-64	272,304	73,070	16,415	1,132	55,523	198,382	50,358	148,024	852
65-74	273,082	99,807	19,384	1,866	78,557	172,561	50,296	122,265	714
75-84	69,693	23,959	4,460	414	19,085	45,493	15,545	29,948	241
85 and over	20,841	4,961	1,088	436	3,437	15,842	6,912	8,930	38

¹ Veterans with compensable service-connected disabilities but treated for non-service-connected disability only.

² All patients other than veterans, such as active military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran who is admitted as an Office of Workers Compensation Program case is classified as a nonveteran.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

**VA Medical Centers—Hospital Care Component: Patients Discharged, Compensation and Pension Status,
Type of Patient, Sex—Fiscal Year 1988**

Compensation and Pension Status	All Patients				Female				Male			
	Total	Psychotic	Other Psychiatric	Medical and Surgical	Total	Psychotic	Other Psychiatric	Medical and Surgical	Total	Psychotic	Other Psychiatric	Medical and Surgical
VA Hospitals—Totals	1,071,147	98,258	149,902	822,987	23,549	3,613	2,567	17,369	1,047,598	94,645	147,335	805,618
Service-connected	112,006	32,382	13,389	66,235	3,222	1,257	324	1,641	108,784	31,125	13,065	64,594
10% or more	106,000	31,771	12,757	61,472	3,098	1,238	319	1,541	102,902	30,533	12,438	59,931
Less than 10%	6,006	611	632	4,763	124	19	5	100	5,882	592	627	4,663
Non-service-connected												
with SC ¹	234,062	13,691	24,199	196,172	4,405	434	437	3,534	229,657	13,257	23,762	192,638
NSC with pension	155,485	11,282	9,776	134,427	3,030	480	187	2,363	152,455	10,802	9,589	132,064
NSC no claim pending . .	562,309	40,452	101,244	420,613	11,066	1,374	1,453	8,239	551,243	39,078	99,791	412,374
Nonveterans ²	7,285	451	1,294	5,540	1,826	68	166	1,592	5,459	383	1,128	3,948

¹ Veterans with compensable service-connected disabilities but treated for non-service-connected disability only.

² This group includes all patients other than veterans, such as active duty military, humanitarian emergencies, reimbursable cases, allied beneficiaries, donors, etc. A veteran admitted as an Office of Workers Compensation Program case is coded as a nonveteran.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

TABLE 24

INPATIENT CARE

**VA Medical Centers—Hospital Care Component: Patients Discharged,
Type of Patient, Percent Hospitalized in Reported State of Residence—Fiscal Year 1988**

Reported State of Residence	All Discharges			Type of Patient					
	Total	Hospitalized in Same State		Medical and Surgical		Psychotic		Other Psychiatric	
		Number	Percent	Total	Percent Hospitalized in Same State	Total	Percent Hospitalized in Same State	Total	Percent Hospitalized in Same State
Total	1,071,146	944,211	88.1	822,986	88.1	98,258	89.9	149,902	87.2
United States	1,058,028	931,432	88.0	813,342	88.0	95,306	89.6	149,380	87.2
Alabama	21,884	19,155	87.5	16,081	88.4	2,605	90.1	3,198	81.2
Alaska	236	.....	.....	206	.....	12	.....	18	.....
Arizona	22,345	21,560	96.5	17,734	96.8	1,418	95.1	3,193	95.6
Arkansas	22,755	19,519	85.8	18,471	84.7	1,506	91.1	2,778	90.2
California	89,269	87,250	97.7	68,871	98.0	9,816	97.5	10,582	96.2
Colorado	12,147	10,806	89.0	8,924	90.9	1,106	90.7	2,117	80.0
Connecticut	8,562	7,974	93.1	6,441	95.5	877	90.0	1,244	83.2
Delaware	2,450	1,907	77.8	2,008	90.4	149	14.8	293	23.9
District of Columbia	5,006	4,759	95.1	3,877	97.6	357	87.1	772	86.1
Florida	53,909	50,159	93.0	43,529	94.0	4,155	87.9	6,225	89.4
Georgia	26,713	21,050	78.8	20,566	79.3	2,401	73.2	3,746	79.8
Hawaii	52	.....	.....	31	.....	8	.....	13	.....
Idaho	5,493	3,185	58.0	4,726	56.9	301	77.7	466	56.2
Illinois	55,199	47,100	85.3	41,919	84.1	5,199	89.4	8,081	89.2
Indiana	21,340	14,666	68.7	16,418	68.1	1,839	70.0	3,083	71.1
Iowa	15,658	12,695	81.1	12,188	79.4	1,307	87.5	2,163	86.5
Kansas	15,404	12,389	80.4	11,699	78.4	1,513	88.8	2,192	85.2
Kentucky	22,259	16,450	73.9	18,418	74.3	1,453	74.9	2,388	70.6
Louisiana	21,306	19,608	92.0	17,728	93.9	1,295	80.0	2,283	84.0
Maine	5,630	5,161	91.7	3,511	88.8	797	97.2	1,322	96.0
Maryland	15,337	9,737	63.5	10,660	61.0	1,261	71.0	3,416	68.4
Massachusetts	21,112	18,747	88.8	13,857	86.7	2,385	93.7	4,870	92.3
Michigan	29,141	27,825	95.5	20,572	95.5	3,663	96.9	4,906	94.2
Minnesota	20,039	16,729	83.5	16,064	81.9	1,687	90.6	2,288	89.1
Mississippi	18,198	14,723	80.9	14,829	80.6	1,362	83.0	2,007	81.4
Missouri	31,636	26,995	85.3	25,203	85.6	2,345	84.1	4,088	84.1
Montana	8,275	6,309	76.2	6,686	78.2	315	53.7	1,274	71.4
Nebraska	13,282	11,737	88.4	10,374	88.7	1,251	91.0	1,657	84.1
Nevada	5,053	3,239	64.1	4,294	63.7	255	54.5	504	72.2
New Hampshire	5,284	2,835	53.7	4,351	53.8	259	49.8	674	54.3
New Jersey	15,899	12,627	79.4	10,580	78.5	1,822	80.8	3,497	81.5
New Mexico	8,355	7,703	92.2	6,297	94.3	654	83.2	1,404	87.1
New York	69,602	68,027	97.7	51,638	97.9	6,527	97.5	11,437	97.1
North Carolina	26,713	24,770	92.7	19,873	92.8	1,869	92.5	4,971	92.4
North Dakota	2,984	2,201	73.8	2,400	79.0	187	57.8	397	49.9
Ohio	36,571	31,658	86.6	25,693	84.1	5,166	94.1	5,712	90.0
Oklahoma	16,958	14,490	85.4	14,267	88.5	856	69.7	1,835	69.0
Oregon	15,970	14,519	90.9	13,235	91.1	1,112	92.4	1,623	88.2
Pennsylvania	38,553	36,111	93.7	27,371	93.4	5,191	95.8	5,991	93.1
Rhode Island	3,953	3,544	89.7	2,890	91.3	250	79.2	813	87.0
South Carolina	19,744	14,928	75.6	16,455	76.6	1,225	74.0	2,064	68.8
South Dakota	8,423	7,386	87.7	6,340	85.9	608	93.1	1,475	93.1
Tennessee	26,424	25,542	96.7	20,501	97.1	2,316	96.3	3,607	94.3
Texas	80,062	75,471	94.3	64,248	94.4	6,611	96.4	9,203	91.9
Utah	6,071	5,771	95.1	4,615	97.6	610	83.0	846	90.0
Vermont	2,259	2,066	91.5	1,857	92.8	123	89.4	279	83.2
Virginia	26,356	21,747	82.5	19,850	82.8	2,683	88.3	3,823	77.1
Washington	18,655	16,565	88.8	14,381	88.4	1,734	93.7	2,540	87.8
West Virginia	15,295	12,574	82.2	12,299	84.6	1,028	65.4	1,968	76.3
Wisconsin	20,178	16,513	81.8	15,296	80.1	1,540	85.7	3,342	87.9
Wyoming	4,029	2,950	73.2	3,020	69.4	297	87.2	712	83.7
Outside the United States ²	13,118	12,779	97.4	9,644	97.4	2,952	98.6	522	91.6
Guam	2	.....	.....	.....	.....	2	.....	.....	.....
Puerto Rico	12,854	12,779	99.4	9,443	99.4	2,927	99.5	484	98.8
Others	262	.....	.....	201	.....	23	.....	38	.....

¹ One record is excluded due to unavailable data.

² There were no discharges reported in the Canal Zone or the Republic of the Philippines.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

VA Medical Centers—Hospital Care Component: Patients Discharged, Length of Stay—Fiscal Year 1988

Principal Diagnoses¹	Total			Short Term³		Length of Stay (Days)													Total Days
	Patients	Average Days	Median Days²	Average Days	Percent of Total Discharges	1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	
All diseases and conditions	1,071,147	19.0	7.9	12.3	98.1	94,755	209,198	240,253	220,692	106,887	84,030	74,481	18,376	13,956	3,401	1,539	1,860	1,719	20,299,689
I. Infectious and parasitic diseases	16,449	19.8	10.0	14.1	97.9	1,657	2,300	3,171	3,804	1,950	1,387	1,386	376	316	53	18	17	14	326,134
Pulmonary tuberculosis (011)	1,502	25.5	14.9	18.9	96.4	34	104	225	395	272	183	169	61	38	12	4	4	1	38,352
Tuberculosis, other (010, 012-018)	255	26.4	13.5	18.0	96.0	9	29	37	68	30	35	25	9	8	2	2	1	.....	6,737
Tuberculosis, late effects (137)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
All other infectious and parasitic diseases (001-009, 020-136)	14,692	19.1	9.4	13.5	98.0	1,614	2,167	2,909	3,341	1,648	1,169	1,192	306	270	39	12	12	13	281,045
Late effects of other infectious and parasitic diseases (138-139)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
II. Neoplasms	106,678	16.0	8.6	13.4	98.6	11,283	21,301	18,937	21,042	12,016	8,562	9,952	2,389	1,361	240	83	78	34	1,711,186
Malignant neoplasm of lip, oral cavity, and pharynx (140-149, 230.0)	5,354	24.5	11.7	18.3	96.2	305	924	923	992	558	454	637	302	205	32	15	5	2	130,933
Malignant neoplasm of digestive organs and peritoneum (150-159, 230.1-230.9)	14,526	20.2	13.0	16.9	98.2	1,100	1,614	2,305	3,138	2,180	1,705	1,745	425	235	47	12	11	9	293,206
Malignant neoplasm of bronchus and lung (162.2-162.9, 231.2)	23,603	18.4	11.7	15.6	98.7	1,653	3,432	3,925	5,317	3,295	2,402	2,664	553	281	49	11	10	11	433,294
Malignant neoplasm of other respiratory system and intrathoracic organs (160-162.0, 163-165, 231.0, 231.1, 231.8, 231.9)	3,370	22.7	11.6	17.4	97.0	229	703	481	527	425	318	416	145	98	13	4	9	2	76,441
Malignant neoplasm of lymphatic and hematopoietic tissue (200-208)	7,667	14.7	7.6	12.6	99.0	1,217	1,340	1,418	1,452	756	542	698	155	67	11	5	4	2	112,890
Malignant neoplasm of genitourinary organs (179-189, 233)	17,283	14.4	8.0	12.2	98.8	1,239	3,479	3,947	3,867	1,902	1,132	1,158	300	169	39	11	16	4	248,262
Malignancies of all other systems (170-175, 190-199, 232, 234)	20,183	16.1	8.9	13.5	98.5	1,895	3,935	3,746	4,073	2,285	1,678	1,759	451	271	46	21	20	3	325,598
Neoplasms, benign (210-229)	11,798	5.0	2.2	4.7	99.8	3,143	5,135	1,625	1,085	385	201	166	36	19	1	1	1	.....	58,453
Neoplasms of unspecified nature (235-239)	2,894	11.1	5.5	8.6	99.3	502	739	567	571	230	130	109	22	16	2	3	2	1	32,109
III. Endocrine, nutritional, and metabolic diseases and immunity disorders	31,343	13.0	7.5	10.7	98.8	1,966	5,875	8,910	7,925	2,868	1,516	1,439	384	314	63	29	27	7	406,169
Diabetes mellitus (250)	18,791	14.3	8.4	11.6	98.5	806	3,074	5,305	5,172	1,894	978	974	271	221	50	22	19	5	268,980
Diseases of the endocrine glands (240-246, 251-259)	3,102	10.2	6.5	9.0	99.3	327	678	876	703	244	116	109	25	18	4	.....	2	.....	31,739
Gout (274)	1,058	7.8	6.2	7.5	99.8	57	268	375	236	77	23	19	1	1	1	.....	.....	.....	8,288
Obesity (278.0-278.1)	395	18.3	7.6	12.8	96.2	45	81	79	78	35	21	25	14	14	2	.....	1	.....	7,214
Nutritional deficiencies and all other metabolic diseases (260-273, 275-277, 278.2-278.6)	7,813	11.4	6.7	9.6	99.1	645	1,746	2,259	1,715	611	374	311	72	60	6	7	5	2	89,143
Disorders involving the immune mechanisms (279)	184	4.4	0.9	4.4	100.0	106	28	16	21	7	4	1	1	.....	.....	.....	.....	.....	805
IV. Diseases of the blood and blood-forming organs	9,200	8.3	4.7	7.4	99.7	2,161	2,113	1,872	1,829	615	293	243	38	26	4	2	1	3	76,571
Anemias (280-282.4, 282.7-285)	6,229	8.0	4.0	7.0	99.7	1,644	1,499	1,108	1,184	413	184	155	21	16	1	1	1	2	49,933
Sickle-cell trait and sickle-cell anemia (282.5-282.6)	190	6.8	5.4	5.9	99.4	27	44	71	37	6	2	2	.....	1	.....	.....	.....	.....	1,285
Other diseases of the blood and blood-forming organs (286-289)	2,781	9.1	5.9	8.3	99.6	490	570	693	608	196	107	86	17	9	3	1	.....	1	25,353

See footnotes at end of table.

VA Medical Centers—Hospital Care Component: Patients Discharged, Diagnostic Group, Length of Stay—Fiscal Year 1988

Principal Diagnoses ¹	Total			Short Term ²		Length of Stay (Days)													731 Plus	Total Days
	Patients	Average Days	Median Days ³	Average Days	Percent of Total Discharges	1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730			
V. Mental disorders.	248,160	35.8	15.5	18.6	96.3	16,216	23,808	39,912	41,845	34,836	41,557	32,690	7,070	5,823	1,545	761	1,010	1,127	8,878,056	
Alcohol psychosis (291)	6,930	53.3	6.8	11.3	93.7	467	1,544	2,090	1,041	444	339	388	141	197	76	38	68	97	369,705	
Drug psychosis (292)	1,528	11.7	7.2	10.1	99.0	103	226	546	350	136	78	55	16	15	2	.....	.....	1	17,869
Organic psychotic conditions, excluding alcohol and drug psychosis (290, 293-294)	8,791	122.1	21.4	23.5	83.8	230	430	1,007	1,702	1,133	994	1,267	501	610	210	143	260	304	1,073,363	
Schizophrenic disorders (295)	51,181	65.1	18.6	21.7	92.7	2,638	3,372	6,344	9,475	7,260	7,158	8,474	2,367	2,119	658	335	433	548	3,330,476	
Other psychoses (296-299)	29,828	36.0	19.1	22.5	95.3	1,662	1,727	3,397	5,508	4,528	4,547	5,329	1,493	1,060	248	103	130	96	1,075,128	
Neurotic disorders (300)	8,094	20.3	12.9	16.7	97.9	680	795	1,349	1,771	1,139	973	990	202	149	22	12	10	2	164,304	
Personality disorders (301)	3,829	20.0	11.4	15.5	97.6	404	452	666	809	484	383	418	101	74	16	3	8	1	76,467	
Alcohol dependence or abuse (303, 305.0) (304, 305.1-305.9)	93,085	17.6	14.5	16.6	99.3	6,449	10,803	17,372	12,872	13,118	20,238	10,504	962	599	105	38	21	4	1,640,721	
Drug dependence or abuse (304, 305.1-305.9)	21,607	18.8	14.8	16.9	98.8	1,755	1,793	3,584	3,824	3,829	4,124	2,051	333	212	65	33	4	.....	406,551
Other nonpsychotic mental disorders (302, 306-319)	23,287	31.1	13.6	18.7	96.0	1,828	2,666	3,557	4,493	2,755	2,723	3,174	954	788	143	56	76	74	723,472	
VI. Diseases of the nervous system and sense organs	54,631	23.7	4.2	8.1	96.9	5,087	21,616	11,397	7,656	2,860	1,731	1,825	703	750	295	128	259	324	1,296,599	
Quadriplegia (344.0)	317	158.6	22.6	23.1	76.3	29	34	23	50	21	22	33	23	35	18	4	8	17	50,269	
Paraplegia (344.1)	261	88.6	17.4	21.6	86.5	26	22	30	44	25	20	36	20	17	6	4	4	7	23,122	
Epilepsy (345)	5,729	10.4	7.0	9.1	99.2	510	1,081	1,735	1,465	457	221	178	37	27	10	4	4	.....	59,699
Disorders of the peripheral nervous system (350-359)	6,435	8.8	3.9	7.1	99.2	982	2,291	1,395	956	351	191	159	49	41	9	4	6	1	56,709	
Other diseases of the central nervous system (320-343, 344.2-344.9, 346-349)	14,165	70.1	12.6	16.6	89.9	855	1,718	2,396	3,240	1,525	1,071	1,310	549	613	246	112	232	298	992,386	
Glaucoma (365)	1,345	6.0	4.0	5.8	99.8	212	468	352	208	63	20	14	4	4	.....	.....	.....	.....	8,080
Cataract (366)	14,966	3.2	2.5	3.1	99.9	761	10,767	2,882	433	73	25	15	6	1	1	.....	2	.....	47,288
Blindness (369)	105	8.5	3.0	5.2	97.1	31	29	25	9	5	1	1	1	3	.....	.....	.....	.....	893
Disorders of the eye and adnexa (360-364, 367-368, 370-379)	7,846	5.0	3.0	4.7	99.8	1,225	3,601	1,753	854	241	101	51	8	5	5	.....	2	.....	39,521
Diseases of the ear and mastoid process (380-389)	3,462	5.4	3.2	5.0	99.8	456	1,605	806	397	99	59	28	6	4	.....	.....	1	1	18,632
VII. Diseases of the circulatory system	172,300	12.3	7.6	10.3	99.1	12,282	33,430	45,348	45,451	16,794	8,470	7,084	1,645	1,271	248	121	100	56	2,114,151	
Chronic rheumatic heart disease (393-398)	939	12.8	8.8	11.8	99.3	67	182	197	231	115	70	62	6	8	.....	1	.....	.....	12,050
Hypertensive disease without heart involvement (401, 403, 405)	9,449	9.1	5.8	7.7	99.4	852	2,578	2,910	1,905	598	285	215	45	41	5	7	7	1	85,721	
Hypertensive heart disease (402, 404)	2,198	11.5	8.0	10.1	99.3	76	364	661	681	208	107	67	14	15	2	1	1	1	25,287	
Acute myocardial infarction (410)	11,640	11.7	10.3	11.1	99.7	894	950	2,460	4,710	1,585	577	365	61	28	5	2	2	1	135,924	
Other ischemic heart disease (411-414)	49,517	8.2	6.1	7.7	99.7	3,898	13,287	14,585	11,368	3,651	1,573	882	144	92	15	7	10	5	407,740	
Other forms of heart disease (391, 392.0, 420-429)	46,255	11.4	7.6	10.1	99.3	3,198	7,865	13,588	12,460	4,452	2,188	1,817	338	261	44	20	16	8	525,692	
Cerebrovascular diseases (430-438)	21,730	22.0	10.9	14.6	97.1	922	2,655	4,819	6,091	2,585	1,610	1,773	579	455	112	51	42	36	477,427	
Atherosclerosis (440)	2,195	19.5	11.2	14.8	97.1	129	402	339	511	298	180	205	60	54	5	9	3	.....	42,834
Other diseases of arteries, arterioles, and capillaries (441-448)	14,080	17.2	10.7	14.1	98.1	976	2,539	2,194	3,439	1,933	1,242	1,182	269	226	45	18	14	3	242,132	
Varicose veins of lower extremities (454)	1,572	19.9	10.7	15.4	97.1	87	199	363	369	172	131	146	53	38	10	3	1	.....	31,282
Hemorrhoids (455)	3,096	4.8	3.6	4.8	99.9	529	1,121	901	434	72	18	17	3	1	.....	.....	.....	.....	14,816
Other diseases of the circulatory system (390, 392.9, 415-417, 451-453, 456-459)	9,629	11.8	9.2	10.8	99.4	654	1,288	2,331	3,252	1,125	489	353	73	52	5	2	4	1	113,246	

See footnotes at end of table.

INPATIENT CARE

TABLE 25—Continued

VA Medical Centers—Hospital Care Component: Patients Discharged, Length of Stay—Fiscal Year 1988

Principal Diagnoses ¹	Total			Short Term ²		Length of Stay (Days)											731 Plus		Total Days
	Patients	Average Days	Median Days ²	Average Days	Percent of Total Discharges	1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	
VIII. Diseases of the respiratory system	80,968	14.2	7.8	10.7	98.7	4,591	14,472	22,872	21,657	7,570	4,068	3,617	930	729	193	89	119	61	1,146,682
Acute respiratory infections (460-468) . . .	5,778	9.0	6.7	8.1	99.5	311	1,204	2,069	1,523	374	142	103	21	22	3	2	4	.....	52,135
Pneumonia and influenza (480-487) . . .	20,224	15.5	10.4	12.7	98.9	605	1,769	5,411	6,985	2,494	1,368	1,084	258	155	37	20	28	10	312,878
Chronic bronchitis (491) . . .	4,752	12.3	7.3	9.4	98.7	204	846	1,612	1,291	382	162	153	38	37	14	2	9	2	58,370
Emphysema (492) . . .	2,138	17.6	9.3	12.3	97.8	83	246	622	628	244	121	106	35	32	10	5	2	4	37,709
Other diseases of the respiratory system and upper respiratory tract (470-478, 490, 493-513) . . .	48,076	14.3	7.1	10.3	98.5	3,388	10,407	13,158	11,230	4,076	2,275	2,171	578	483	129	60	76	45	685,590
IX. Diseases of the digestive system . . .	93,410	10.0	6.3	8.9	99.4	8,486	23,286	26,028	20,037	7,243	3,815	3,186	712	461	96	28	23	9	932,523
Diseases of oral cavity, salivary glands, and jaws (520-529) . . .	4,500	5.4	3.4	5.0	99.7	531	2,042	1,227	462	123	43	37	21	11	3	.....	.....	.....	24,478
Ulcers of the digestive system (530.2, 531-534) . . .	8,311	10.4	7.0	9.6	99.4	697	1,608	2,517	1,940	734	392	301	68	40	10	2	2	.....	86,158
Other diseases of the esophagus, stomach, and duodenum (530.0, 530.1, 530.3-530.9, 535-537) . . .	9,739	8.3	5.5	7.5	99.4	1,322	2,621	2,537	1,989	630	314	226	44	42	10	2	2	.....	81,050
Hernia of the abdominal cavity (550-553) . . .	18,439	5.5	4.4	5.4	99.9	1,357	7,284	6,201	2,634	591	224	115	14	12	4	1	2	.....	102,033
Other diseases of the intestine and peritoneum (540-543, 555-569, 578-579) . . .	30,581	10.8	6.4	9.0	99.3	3,514	6,986	8,070	6,849	2,384	1,206	1,066	262	176	31	14	15	8	330,221
Alcohol-related liver disorders (571.0-571.3) . . .	6,215	16.1	11.1	14.2	98.7	322	761	1,271	1,725	870	554	508	113	66	20	4	1	.....	99,941
Other diseases of the liver, gallbladder, and pancreas (570, 571.4-577) . . .	15,625	13.4	9.4	12.3	99.2	743	1,984	4,205	4,438	1,911	1,082	933	190	114	18	5	1	1	208,642
X. Diseases of the genitourinary system . . .	54,759	9.6	6.2	8.4	99.4	5,090	12,538	17,593	11,568	3,721	1,914	1,613	354	247	67	16	28	10	528,402
Nephritis, nephrotic syndrome, and nephrosis (580-589) . . .	6,219	17.2	8.5	12.8	97.8	541	1,051	1,431	1,311	686	449	476	128	97	27	7	11	4	107,013
Other diseases of the urinary system (590-599) . . .	25,356	10.5	6.7	9.1	99.3	2,091	5,634	7,399	5,926	2,043	1,047	850	181	125	33	7	14	6	286,199
Diseases of the prostate (600-602) . . .	15,451	7.2	6.1	7.0	99.8	1,505	2,829	6,413	3,336	791	328	200	29	13	3	2	2	.....	111,742
Other diseases of the male genital organs (603-608) . . .	6,056	6.0	4.2	5.6	99.7	621	2,337	1,922	818	170	75	80	16	12	4	.....	1	.....	36,393
Disorders of breast and gynecological diseases (610-629) . . .	1,677	4.2	3.0	4.2	100.0	332	687	428	177	31	15	7	.....	.....	.....	.....	.....	.....	7,055
XI. Complications of pregnancy, childbirth, and puerperium (630-676) . . .	24	3.0	1.4	3.0	100.0	10	6	7	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	73
XII. Diseases of the skin and subcutaneous tissue . . .	20,156	19.7	8.0	12.6	96.7	1,467	3,448	5,164	4,595	1,832	1,136	1,281	510	454	135	66	53	15	397,214
Infections and inflammatory conditions of skin and subcutaneous tissue (680-698) . . .	11,833	11.2	7.6	10.1	99.3	506	1,950	3,900	3,243	1,051	542	459	101	64	11	3	2	1	132,435
Other diseases of skin and subcutaneous tissue (700-709) . . .	8,323	31.8	10.3	16.4	93.0	961	1,498	1,264	1,352	781	594	822	409	390	124	63	51	14	264,779
XIII. Diseases of the musculoskeletal system and connective tissue . . .	43,026	12.6	6.8	10.0	99.1	4,447	10,955	8,965	9,398	4,186	2,288	1,895	443	305	67	38	21	18	544,043
Osteoarthritis and allied disorders (715) . . .	6,044	13.0	10.7	11.9	99.3	460	1,042	859	1,779	1,087	466	262	44	31	8	5	1	.....	78,750
Other arthropathies and related disorders (710-714, 716-719) . . .	8,064	11.6	5.6	8.8	99.0	887	2,406	1,871	1,484	615	332	306	81	49	14	9	6	4	93,757
Dorsopathies (720-724) . . .	14,404	12.6	7.2	9.7	99.3	1,551	3,287	2,965	3,649	1,444	755	546	99	70	15	8	5	10	181,091

Source: Superintendents at end of table.

TABLE 25—Continued
VA Medical Centers—Hospital Care Component: Patients Discharged, Length of Stay—Fiscal Year 1988

INPATIENT CARE

TABLE 25—Continued

VA Medical Centers—Hospital Care Component: Patients Discharged, Length of Stay—Fiscal Year 1988

INPATIENT CARE

Principal Diagnoses¹	Total			Short Term³		Length of Stay (Days)													Total Days
	Patients	Average Days	Median Days²	Average Days	Percent of Total Discharges	1	2-3	4-7	8-14	15-21	22-30	31-60	61-90	91-180	181-270	271-365	366-730	731 Plus	
Rheumatism, excluding the back (725-729)	6,692	6.7	3.7	5.8	99.5	978	2,552	1,737	885	257	149	82	19	24	3	1	4	1	45,022
Osteopathies, chondropathies, and acquired musculoskeletal deformities (730-739)	7,822	18.6	8.6	13.7	98.0	571	1,668	1,533	1,601	783	586	699	200	131	27	15	5	3	145,423
XIV. Congenital deformities (740-759)	1,798	11.9	5.5	8.2	99.2	218	533	407	349	130	72	65	9	7	1	2	4	1	21,453
XVI. Symptoms, signs, and ill-defined conditions (780-799)	50,192	8.9	5.3	7.6	99.4	6,829	13,991	13,421	9,685	2,938	1,432	1,239	355	201	41	25	20	15	444,850
XVII. Injury and poisoning	42,403	14.6	7.0	11.3	98.3	5,084	9,002	9,528	8,394	3,792	2,379	2,616	774	580	126	64	48	15	620,956
Fracture of skull (800-804)	1,370	9.7	5.6	7.3	99.4	145	375	413	286	77	31	26	9	4	2	.....	1	1	13,336
Fracture of neck and trunk (805-809)	1,829	28.7	11.0	15.2	93.1	157	261	319	416	181	142	161	56	80	30	13	12	1	52,421
Fracture of upper and lower limb (810-829)	8,520	20.0	10.9	15.2	97.4	785	1,116	1,546	1,985	1,108	695	759	268	188	39	15	12	4	170,593
Dislocations, sprains, and strains of joints and adjacent muscles (830-849)	3,630	6.8	4.3	6.0	99.6	487	1,253	1,068	540	138	64	56	9	10	2	1	1	1	24,775
Intracranial injury, excluding those with skull fracture (850-854)	1,657	21.2	5.5	11.0	96.9	409	318	274	249	117	84	111	38	35	8	5	4	5	35,186
Internal injury of chest, abdomen, and pelvis (860-869)	527	9.9	7.0	9.3	99.4	46	95	165	127	38	33	18	1	4	.....	.....	.....	.....	5,235
Open wounds (870-897)	2,686	7.9	3.9	6.9	99.4	585	787	634	372	120	76	74	22	11	2	2	1	.....	21,135
Burns (940-949)	910	21.2	12.6	16.3	97.0	67	117	149	187	147	80	104	30	20	5	3	1	.....	19,306
Poisoning by drugs, medicinal, and biological substances (960-979)	2,076	6.9	4.5	6.5	99.8	433	539	553	347	105	42	42	10	3	2	.....	.....	.....	14,227
Toxic effects of substances chiefly nonmedical (980-989)	288	5.8	2.8	5.8	100.0	88	82	61	28	15	7	5	2	.....	.....	.....	.....	.....	1,658
All other injuries (900-904, 910-939, 950-959, 990-995)	3,876	10.4	4.6	7.8	98.8	797	1,007	907	623	210	120	123	37	28	8	9	6	1	40,486
Complications of surgical and medical care, NEC (996-999)	15,033	14.8	8.0	12.6	98.6	1,085	3,052	3,440	3,233	1,536	1,005	1,137	292	197	28	16	10	2	222,589
Late effects of injuries, poisonings, toxic effects, and other external causes (905-909)	1	9.0	9.0	9.0	100.0	.....	.....	.....	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	9
XVIII. Factors influencing health status and contact with health services (V01-V82)	45,650	18.7	6.7	14.3	97.3	7,861	10,524	6,720	5,456	3,536	3,410	4,990	1,684	1,111	227	69	52	10	854,627

¹ The diagnostic categories and selected diagnoses included in this table are based on the "International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)," DHHS Publication No. (PHS) 80-1260. The numbers following the diagnoses are the identifying code numbers of this diagnostic classification. Category XV, "Certain Conditions Originating in the Perinatal Period," in which no cases occurred, is not included in this table. Principal diagnosis is that diagnosis designated by the discharge physician as responsible for the major portion of the patient's length of stay.

² One-half of the discharges in the given category have length of stay greater than the median; the other half, less than the median.

³ Includes hospital stays of 1 to 99 days and conforms to the definition adopted by the Commission on Professional and Hospital Activities.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

INPATIENT CARE

TABLE 26

VA Medical Centers—Hospital Care Component: Patients Discharged, Diagnostic Group, Period of Service
Fiscal Year 1988

Diagnostic Composition of Patients	Total	Period of Service						
		Post Vietnam ¹	Vietnam Era	Post Korea ²	Korean Conflict ³	World War II	World War I	All Other
All discharges	1,071,147	65,742	237,553	64,830	157,299	510,156	16,901	18,666
Psychotic								
Alcohol psychoses (291)	6,930	496	2,291	679	1,195	2,157	6	106
Drug psychoses (292)	1,528	349	770	62	76	247	7	17
Other psychoses (290, 293-299)	89,800	14,272	37,387	6,691	9,824	19,724	895	1,007
Other psychiatric								
Alcohol dependence and abuse (303, 305.0)	93,085	11,945	44,364	9,813	12,790	13,119	9	1,045
Drug dependence and abuse (304, 305.1-305.9)	21,607	6,941	13,030	723	446	271	1	195
Other nonpsychotic mental disorders (300-302, 306-319)	35,210	3,770	19,686	1,697	2,791	6,149	220	897
Medical and surgical								
All infectious and parasitic diseases (001-139)	16,449	1,603	4,225	936	2,075	6,806	435	369
Malignant neoplasms (140-208, 230-234)	91,986	1,123	7,779	4,205	14,880	61,063	1,475	1,461
Benign and unspecified neoplasms (210-229, 235-239)	14,692	337	1,771	738	2,204	9,271	138	233
Diabetes mellitus (250)	18,791	592	3,388	1,345	3,456	9,625	114	271
Other endocrine, nutritional, and metabolic diseases (240-246, 251-278)	12,368	267	1,581	709	1,886	7,077	543	305
Disorders involving the immune mechanisms (279)	184	29	70	35	31	19	.....	.....
Diseases of the blood and blood-forming organs (280-289)	9,200	310	1,246	420	1,298	5,488	302	136
Quadriplegia (344.0)	317	51	116	27	35	77	1	10
Paraplegia (344.1)	261	31	70	38	23	88	2	9
Other diseases of the nervous system (320-343, 344.2-359)	26,329	1,429	5,330	1,604	3,851	13,157	319	639
Diseases of the sense organs (360-389)	27,724	481	2,808	1,151	4,157	18,120	585	422
Heart diseases (391-392.0, 393-398, 402, 404, 410-414, 420-429)	110,549	1,004	11,336	6,178	19,486	68,450	2,185	1,910
Cerebrovascular diseases (430-438)	21,730	149	1,739	987	3,413	14,577	532	333
Other diseases of the circulatory system (390, 392.9, 401, 403, 405, 415-417, 440-459)	40,021	848	5,538	2,346	6,907	23,237	454	691
Acute respiratory diseases (460-466, 480-487)	26,002	706	2,781	1,090	3,513	16,050	1,402	460
Chronic bronchitis and emphysema (491-492)	6,890	37	407	233	1,069	4,943	66	135
Other respiratory diseases (470-478, 490, 493-519)	48,076	1,104	5,014	2,145	7,415	30,686	902	810
Diseases of the oral cavity, salivary glands, and jaws (520-529)	4,500	436	1,000	284	729	1,926	30	95
Hernia of the abdominal cavity (550-553)	18,439	739	2,808	1,094	3,047	10,300	175	276
Alcohol-related liver diseases (571.0-571.3)	6,215	169	1,549	627	1,413	2,358	3	96
Other diseases of the digestive system (530-543, 555-570, 571.4-579)	64,256	2,655	11,790	4,077	10,252	33,259	1,244	979
Diseases of the male genital organs (600-608)	21,507	346	1,853	724	2,985	15,035	271	293
Other diseases of the genitourinary system (580-599)	31,575	1,012	4,391	1,544	4,349	18,453	1,270	556
Diseases of the breast, gynecological disorders and complications of pregnancy (610-676)	1,701	378	383	106	175	575	16	68
Diseases of the skin and subcutaneous tissue (680-709)	20,156	1,278	4,561	1,372	3,148	9,165	328	304
Diseases of the musculoskeletal system and connective tissue (710-739)	43,026	3,411	10,400	2,864	6,843	18,336	333	839
Congenital anomalies (740-759)	1,798	136	362	107	297	844	20	32
Symptoms, signs and ill-defined conditions (780-799)	50,192	1,936	8,881	3,105	8,086	26,100	1,040	1,044
Injuries and poisonings (800-904, 910-999)	42,402	3,495	9,756	2,556	5,993	18,623	843	1,136
Late effects of injuries, poisonings, toxic effects and other external causes (905-909)	1	1	.....	.....	.....	.....	.....	.....
Factors influencing health status and contact with health service (V01-V82)	45,650	1,876	7,092	2,518	7,161	24,781	735	1,487
Supplementary classification of external causes of injury and poisoning (E800-E999)	.....	.....	.....	.....	.....	.....	.....	.....

¹ Service on or after May 8, 1975.

² Service between February 1, 1955 and August 4, 1964.

³ Service between June 27, 1950 and January 31, 1955.

NOTE: This table is based on the Patient Treatment File (PTF) and may differ from Tables 3, 4, and 8 through 10, which are based on AMIS. This is due to corrections made to AMIS data subsequent to the closing of input to AMIS, and to incomplete PTF records. In addition, the PTF counts a transfer between medical facilities as a discharge. AMIS totals exclude transfers from the total discharges.

TABLE 27

INPATIENT CARE

**VA Medical Centers—Hospital Care Component: Surgical Procedures Performed by Hospital Affiliation
Fiscal Year 1988**

<i>Total Surgical Procedures¹</i>	<i>Total</i>	<i>Affiliated Hospitals²</i>	<i>Non-Affiliated Hospitals</i>
Surgical Procedures (01–86)	415,011	386,720	28,291
Operations on the nervous system (01–05)	9,533	9,169	364
Incision and excision of skull, brain, and cerebral meninges (01)	1,881	1,866	15
Other operations on skull, brain, and cerebral meninges (02)	850	844	6
Other operations on spinal cord and spinal canal structures (03)	2,297	2,244	53
Operations on cranial and peripheral nerves (04)	4,262	4,041	221
Operations on sympathetic nerves or ganglia (05)	243	174	69
Operations on the endocrine system (06–07)	1,124	1,065	59
Operations on thyroid and parathyroid glands (06)	893	836	57
Operations on other endocrine glands (07)	231	229	2
Operations on the eye (08–16)	40,898	39,972	926
Operations on eyelids (08)	3,913	3,811	102
Operations on lacrimal system (09)	211	209	2
Operations on conjunctiva (10)	483	478	5
Operations on cornea (11)	933	910	23
Operations on iris, ciliary body, sclera, and anterior chamber (12)	2,036	1,994	42
Operations on lens (13)	29,744	29,017	727
Operations on retina, choroid, vitreous, and posterior chamber (14)	2,679	2,666	13
Operations on extraocular muscles (15)	266	265	1
Operations on orbit and eyeball (16)	633	622	11
Operations on the ear (18–20)	4,072	3,878	194
Operations on external ear (18)	1,411	1,270	141
Reconstructive operations on middle ear (19)	1,365	1,338	27
Other operations on middle ear and inner ear (20)	1,296	1,270	26
Operations on the nose, mouth, and pharynx (21–29)	19,811	18,814	997
Operations on nose (21)	5,529	5,225	304
Operations on nasal sinuses (22)	1,986	1,938	48
Removal and restoration of teeth (23)	2,546	2,377	169
Other operations on teeth, gums, and alveoli (24)	2,335	2,168	167
Operations on tongue (25)	1,343	1,297	46
Operations on salivary glands and ducts (26)	936	856	80
Other operations on mouth and face (27)	2,978	2,850	128
Operations on tonsils and adenoids (28)	778	761	17
Operations on pharynx (29)	1,380	1,342	38
Operations on the respiratory system (30–34)	29,018	27,498	1,520
Excision of larynx (30)	1,903	1,841	62
Other operations on larynx and trachea (31)	11,683	11,341	342
Excision of lung and bronchus (32)	2,585	2,473	112
Other operations on lung and bronchus (33)	8,276	7,476	800
Operations on chest wall, pleura, mediastinum, and diaphragm (34)	4,571	4,367	204
Operations on the cardiovascular system (35–39)	48,792	47,592	1,200
Operations on valves and septa of heart (35)	1,132	1,132	.....
Operations on vessels of heart (36)	6,996	6,995	1
Other operations on heart and pericardium (37)	6,872	6,742	130
Incision, excision, and occlusion of vessels (38)	11,052	10,474	578
Other operations on vessels (39)	22,740	22,249	491
Operations on the hemic and lymphatic system (40–41)	7,282	6,880	402
Operations on lymphatic system (40)	6,525	6,164	361
Operations on bone marrow and spleen (41)	757	716	41
Operations on the digestive system (42–54)	85,279	75,803	9,476
Operations on esophagus (42)	6,300	5,893	407
Incision and excision of stomach (43)	3,019	2,768	251
Other operations on stomach (44)	4,388	3,927	461
Incision, excision, and anastomosis of intestine (45)	23,875	20,344	3,531

See footnotes at end of table.

INPATIENT CARE

TABLE 27—Continued

VA Medical Centers—Hospital Care Component: Surgical Procedures Performed by Hospital Affiliation
Fiscal Year 1988

<i>Total Surgical Procedures¹</i>	<i>Total</i>	<i>Affiliated Hospitals²</i>	<i>Non-Affiliated Hospitals</i>
Other operations on intestine (46)	4,117	3,806	311
Operations on appendix (47)	1,781	1,599	182
Operations on rectum and perirectal tissue (48)	3,828	3,347	481
Operations on anus (49)	4,762	4,103	659
Operations on liver (50)	1,567	1,471	96
Operations on gallbladder and biliary tract (51)	6,982	6,356	626
Operations on pancreas (52)	834	793	41
Repair of hernia (53)	17,408	15,491	1,917
Other operations on abdominal region (54)	6,418	5,905	513
Operations on the urinary system (55–59)	49,962	45,494	4,468
Operations on kidney (55)	2,095	2,028	67
Operations on ureter (56)	2,591	2,426	165
Operations on urinary bladder (57)	37,243	33,650	3,593
Operations on urethra (58)	5,164	4,637	527
Other operations on urinary tract (59)	2,869	2,753	116
Operations on the male genital organs (60–64)	30,824	28,010	2,814
Operations on prostate and seminal vesicles (60)	20,543	18,708	1,835
Operations on scrotum and tunica vaginalis (61)	789	710	79
Operations on testes (62)	2,725	2,486	239
Operations on spermatic cord, epididymis, and vas deferens (63)	3,193	2,758	435
Operations on penis (64)	3,574	3,348	226
Operations on the female genital organs (65–71)	1,045	966	79
Operations on ovary (65)	244	227	17
Operations on fallopian tubes (66)	27	26	1
Operations on cervix (67)	102	89	13
Other incision and excision of uterus (68)	272	254	18
Other operations on uterus and supporting structures (69)	236	219	17
Operations on vagina and cul-de-sac (70)	127	116	11
Operations on vulva and perineum (71)	37	35	2
Obstetrical procedures (72–75) .....	.....	.....	.....
Forceps, vacuum, and breech delivery (72) .....	.....	.....	.....
Other procedures inducing or assisting delivery (73) .....	.....	.....	.....
Cesarean section and removal of fetus (74) .....	.....	.....	.....
Other obstetric operations (75) .....	.....	.....	.....
Operations on the musculoskeletal system (76–84)	58,657	55,334	3,323
Operations on facial bones and joints (76)	2,674	2,637	37
Incision, excision, and division of other bones (77)	6,851	6,391	460
Other operations on bones, except facial bones (78)	3,861	3,696	165
Reduction of fracture and dislocation (79)	6,141	5,829	312
Incision and excision of joint structures (80)	11,479	10,770	709
Repair and plastic operations on joint structures (81)	10,781	10,323	458
Operations on muscle, tendon, and fascia of hand (82)	2,956	2,725	231
Operations on muscle, tendon, fascia and bursa, except hand (83)	4,875	4,497	378
Other procedures on musculoskeletal system (84)	9,039	8,466	573
Operations on the integumentary system (85–86)	28,714	26,245	2,469
Operations on the breast (85)	1,442	1,302	140
Operations on skin and subcutaneous tissue (86)	27,272	24,943	2,329

¹ The procedures included in this table are based on the "International Classification of Diseases, 9th Revision Clinical Modification (ICD-9-CM)," DHHS Publication No. PHS 80-1260. The numbers following the operations are the identifying code numbers of this operation classification. Miscellaneous diagnostic and therapeutic procedures (87–99) and the following selected diagnostic procedures (16.21, 18.11, 20.31, 21.21, 29.11 and 31.41) are excluded.

² Affiliated facilities include 135 VA medical centers with a Dean's Committee.

TABLE 28

INPATIENT CARE

Operating Costs of VA Inpatient Facilities—Fiscal Year 1988

Activity	Total	Hospital Care				Nursing Care	VA Domiciliaries
		Total	Bed Section				
			Medical ¹	Surgical	Psychiatric		
Total Cost (in thousands) ²	\$5,912,577	\$5,278,026	\$2,922,950	\$1,427,615	\$927,461	\$514,791	\$119,760
Professional and ancillary:							
Medical services ³	1,102,481	1,023,588	636,092	251,727	135,769	57,993	20,900
Nursing services	1,624,075	1,439,855	761,622	382,735	295,498	177,688	6,532
Chaplain services	31,046	27,189	15,646	5,357	6,186	2,703	1,154
Dietetics services	389,097	304,356	165,235	54,363	84,758	61,363	23,378
Dental services	116,118	109,461	14,361	83,978	11,122	3,610	3,047
Audiology and speech pathology	8,262	6,249	4,673	1,079	497	1,757	256
Direct care, Total	3,271,079	2,910,698	1,597,629	779,239	533,830	305,114	55,267
Administrative support	805,561	713,663	373,246	178,792	161,625	69,071	22,827
Engineering support	642,554	553,096	288,525	147,880	116,691	61,389	28,069
Building management ⁴	335,358	290,235	149,316	73,436	67,483	40,263	4,860
Research support	201,810	195,649	146,772	48,837	40	5,450	711
Education and training support	364,020	351,062	222,860	128,144	58	11,073	1,885
Asset acquisitions ⁵	292,195	263,623	144,602	71,287	47,734	22,431	6,141
Support, Total	2,641,498	2,367,328	1,325,321	648,376	393,631	209,677	64,493

¹ Includes intermediate care.² Includes inpatient education and training support.³ Includes cost centers such as: medical, laboratories, pharmacy, blind rehabilitation, clinical nuclear medicine, rehabilitation medicine, social service, clinical psychology, radiology, medical media, and library.⁴ Includes operation of laundry.⁵ Asset acquisitions reflect obligations.

NOTE: All figures are in thousands. Totals may not add due to rounding.

TABLE 29

EXTENDED CARE

VA Nursing Homes, Community Nursing Homes, and VA Domiciliaries: Patient Movement—Fiscal Year 1988

Item	VA Nursing Homes	Community Nursing Homes	VA Domiciliaries
Gains, Total	25,418	37,983	15,492
Direct Gains—Total	15,932	29,350	10,273
Admissions after rehospitalization	756 ¹	2,612 ²	359
Other admissions	15,176	26,738	9,914
Transfers in from similar facilities ³	108	748	210
Returns from absent sick in hospital status	9,378	7,885	5,009
Losses, Total	24,999	39,246	14,962
Discharges and deaths while in bed occupant or authorized leave of absence status—Total	12,250	22,664	7,889
Discharges	9,790	18,069	7,825
Deaths	2,460	4,595	64
Losses to absent sick in hospital status	12,408	15,850	7,048
(Discharges and deaths while in absent sick in hospital status—Total)	2,990	7,903	2,002
Discharges	1,660	6,052	1,924
Deaths	1,330	1,851	78
Transfers out to other similar facilities ³	341	732	25
Remaining on September 30, 1988—Total	11,980	11,665	6,716
Bed occupants	11,617	11,354	6,393
On authorized leave of absence	59	.....	111
Absent sick in hospital	304	311	212
Patients treated ⁴	27,220	42,232	16,607
Average daily census ⁵	11,344	12,405	6,061

¹ Admissions after rehospitalization of more than 30 days.² Admissions after rehospitalization of more than 15 days.³ Includes only patients transferred as VA beneficiaries.⁴ Discharges and deaths during the fiscal year plus the number remaining on the rolls at the end of the fiscal year.⁵ Based on the number of patient days during the fiscal year divided by the number of calendar days in the fiscal year.

EXTENDED CARE

TABLE 30

State Home Hospitals, State Nursing Homes, and State Domiciliary Homes: Patient Movement¹—Fiscal Year 1988

Item	State Home Hospitals	State Nursing Homes	State Domiciliary Homes
Gains, Total	2,481	11,230	8,356
Direct gains—Total	2,358	5,626	3,208
Admissions from state facilities	1,776	2,030	1,452
Other admissions	582	3,596	1,756
Returns from leave of absence status	123	5,604	5,148
Losses, Total	2,484	11,146	8,558
Discharges and deaths—Total	2,365	5,473	3,411
Discharges to state facilities	1,609	1,843	1,888
Other discharges	504	1,993	1,415
Deaths	252	1,637	108
Losses to leave of absence status	119	5,673	5,147
Bed occupants remaining on September 30, 1988	483	8,751	4,000
Patients treated ²	2,848	14,224	7,411
Average daily census ³	489	8,666	4,026

¹ Data include only patients supported by VA.

² Discharges and deaths during the fiscal year plus days in the fiscal year.

³ Based on the number of patient days during the fiscal year divided by the number of the number on the rolls at the end of the fiscal year.

EXTENDED CARE

TABLE 31

VA Medical Centers—Domiciliary Care Component: Selected Data—Fiscal Year 1988

Facility	Average Operating Beds ¹	Bed Occupancy Rate(%) ²	Average Daily Census ³	Admissions ⁴	Discharges and Deaths ⁴	Patients Treated ^{4,5}	Members Remaining on Sept. 30, 1988
Total	7,403	81.9	6,061	10,273	9,891	16,607	6,716
Arizona: Prescott	214	90.7	194	700	690	903	213
Arkansas: Little Rock	37	40.5	15	100	58	100	42
California:							
Palo Alto	21	76.2	16	110	71	110	39
West Los Angeles	250	81.6	204	458	442	675	233
Florida: Bay Pines	200	88.0	176	447	419	622	203
Georgia: Dublin	334	77.2	258	456	440	721	281
Illinois: North Chicago	38	50.0	19	107	55	107	52
Kansas: Leavenworth	605	77.0	466	708	745	1,240	495
Mississippi: Biloxi	298	51.7	154	376	332	549	217
New Jersey: Lyons	34	91.2	31	138	73	138	65
New York:							
Bath	525	84.0	441	381	435	863	428
Montrose	51	60.8	31	182	127	182	55
Ohio:							
Cleveland	54	98.1	53	259	174	261	87
Dayton	675	82.5	557	470	554	1,103	549
Oregon:							
Portland	25	80.0	20	118	81	117	36
White City	917	79.6	730	1,092	996	1,803	807
Pennsylvania:							
Butler	41	90.2	37	153	157	194	37
Coatesville	35	94.3	33	172	131	172	41
South Dakota: Hot Springs	400	78.0	312	562	527	886	359
Tennessee: Mountain Home	547	95.4	522	542	583	1,116	533
Texas:							
Bonham	225	84.0	189	304	287	502	215
Temple	528	77.5	409	635	643	1,083	440
Virginia: Hampton	400	87.5	350	733	716	1,086	370
Washington: American Lake	37	81.1	30	142	94	151	57
West Virginia: Martinsburg	520	86.9	452	633	589	1,082	493
Wisconsin: Wood	392	92.6	363	505	497	866	369

¹ Based on the number of operating beds at the end of each month for 13 consecutive months (September 1987–September 1988).

² Average daily census as a percent of the average operating beds.

³ Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year.

⁴ Transfers included in individual facility totals, but excluded from overall total.

⁵ Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.

TABLE 32

EXTENDED CARE

**VA Medical Centers—Nursing Home Care Component:
Selected Data—Fiscal Year 1988**

<i>Location</i>	<i>Average Operating Beds¹</i>	<i>Bed Occupancy Rate(%)²</i>	<i>Average Daily Census³</i>	<i>Admissions⁴</i>	<i>Discharges and Deaths⁴</i>	<i>Patients Treated⁵</i>	<i>Patients Remaining on Sept.30, 1988</i>
Total	12,145	93.4	11,344	15,932	15,240	27,220	11,980
Alabama:							
Tuscaloosa	120	95.8	115	45	44	164	120
Tuskegee	112	92.9	104	86	85	195	110
Arizona:							
Phoenix	120	95.0	114	172	170	291	121
Tucson	41	97.6	40	28	30	71	41
Arkansas: Little Rock	200	95.5	191	88	83	279	196
California:							
Fresno	60	95.0	57	202	217	261	44
Livermore	120	94.2	113	75	74	185	111
Loma Linda	120	64.2	77	235	185	291	106
Long Beach	180	97.8	176	256	253	441	188
Palo Alto	150	94.7	142	681	674	826	152
San Diego	60	91.7	55	172	171	224	53
Sepulveda	200	90.0	180	356	325	519	194
West Los Angeles	120	73.3	88	24	33	119	86
Colorado:							
Denver	60	96.7	58	281	285	345	60
Ft. Lyon	89	87.6	78	96	45	133	88
Grand Junction	42	88.1	37	45	46	85	39
Connecticut: West Haven	90	95.6	86	77	76	161	85
Delaware: Wilmington	60	90.0	54	100	105	162	57
District of Columbia: Washington	116	94.0	109	118	87	204	117
Florida:							
Bay Pines	240	92.9	223	475	467	717	250
Gainesville	119	89.1	106	112	114	225	111
Lake City	120	95.8	115	102	99	219	120
Miami	240	90.8	218	296	278	515	237
Tampa	120	96.7	116	163	164	285	121
Georgia:							
Atlanta	120	92.5	111	95	93	209	116
Augusta	40	92.5	37	32	32	71	39
Dublin	86	93.0	80	35	35	121	86
Idaho: Boise	60	93.3	56	170	170	230	60
Illinois:							
Danville	120	95.0	114	396	389	516	127
Hines	239	95.0	227	442	446	692	246
Marion	60	100.0	60	108	101	168	67
North Chicago	190	96.3	183	59	58	246	188
Indiana:							
Ft. Wayne	54	94.4	51	63	64	117	53
Indianapolis	60	93.3	56	233	233	292	59
Marion	69	95.7	66	49	48	116	68
Iowa: Knoxville	200	99.0	198	47	44	250	206
Kansas:							
Leavenworth	45	93.3	42	33	35	78	43
Topeka	79	96.2	76	28	29	107	78
Wichita	60	96.7	58	134	142	203	61
Kentucky: Lexington	100	97.0	97	78	80	178	98
Louisiana: Alexandria	199	94.0	187	255	250	445	195
Maine: Togus	60	95.0	57	75	75	134	59
Maryland:							
Ft. Howard	47	95.7	45	11	14	61	47
Perry Point	80	98.8	79	48	47	130	83
Massachusetts:							
Bedford	162	79.6	129	49	67	188	121
Brockton	133	85.0	113	114	46	209	163
Northampton	50	98.0	49	32	32	82	50
Michigan:							
Allen Park	72	94.4	68	79	77	152	75
Ann Arbor	120	88.3	106	316	315	428	113
Battle Creek	204	97.1	198	110	104	308	204
Iron Mountain	40	97.5	39	174	175	214	39
Saginaw	30	100.0	30	174	174	204	30

See footnotes at end of table.

**VA Medical Centers—Nursing Home Care Component:
Selected Data—Fiscal Year 1988**

<i>Location</i>	<i>Average Operating Beds¹</i>	<i>Bed Occupancy Rate(%)²</i>	<i>Average Daily Census³</i>	<i>Admissions⁴</i>	<i>Discharges and Deaths⁴</i>	<i>Patients Treated⁵</i>	<i>Patients Remaining on Sept. 30, 1988</i>
Minnesota:							
Minneapolis	46	17.4	8	72	37	72	35
St. Cloud	130	100.0	130	70	66	200	134
Mississippi:							
Biloxi	34	97.1	33	14	14	48	34
Jackson	120	93.3	112	166	164	282	118
Missouri:							
Columbia	54	94.4	51	33	35	88	53
Poplar Bluff	49	95.9	47	22	22	70	48
St. Louis	152	93.4	142	465	438	594	156
Montana: Miles City	26	96.2	25	14	11	37	26
Nebraska: Grand Island	42	100.0	42	215	201	255	54
Nevada: Reno	60	96.7	58	247	248	308	60
New Hampshire: Manchester	120	80.8	97	248	237	345	108
New Jersey:							
East Orange	60	96.7	58	48	47	107	60
Lyons	90	96.7	87	52	43	135	92
New Mexico: Albuquerque	47	97.9	46	240	240	287	47
New York:							
Albany	99	96.0	95	299	300	396	96
Batavia	70	95.7	67	103	100	166	66
Bath	167	97.0	162	83	85	254	169
Bronx	120	90.8	109	80	75	194	119
Brooklyn	300	96.7	290	113	113	413	300
Buffalo	36	94.4	34	77	79	115	36
Canandaigua	100	97.0	97	40	37	138	101
Castle Point	148	95.9	142	79	81	220	139
Montrose	122	95.1	116	86	84	208	124
Syracuse	33	90.9	30	45	42	75	33
North Carolina:							
Asheville	82	95.1	78	33	37	113	76
Fayetteville	39	94.9	37	85	86	125	39
Salisbury	93	97.8	91	47	47	139	92
North Dakota: Fargo	50	94.0	47	252	251	302	51
Ohio:							
Chillicothe	90	98.9	89	162	162	252	90
Cincinnati	206	91.7	189	134	137	331	194
Cleveland	195	97.4	190	146	152	351	199
Dayton	284	95.4	271	134	131	409	278
Oregon:							
Portland	120	95.0	114	317	315	436	121
Roseburg	83	100.0	83	53	38	128	90
Pennsylvania:							
Altoona	1	100.0	1	20	2	21	19
Butler	106	94.3	100	94	97	201	104
Coatesville	120	95.0	114	92	86	207	121
Erie	40	92.5	37	74	71	110	39
Lebanon	120	93.3	112	141	143	260	117
Pittsburgh (Univ. Dr.)	228	92.5	211	269	243	469	226
Wilkes-Barre	120	97.5	117	44	44	162	118
South Carolina: Columbia	120	95.8	115	118	120	233	113
South Dakota: Sioux Falls	75	97.3	73	133	133	209	76
Tennessee:							
Memphis	120	91.7	110	519	484	623	139
Mountain Home	58	94.8	55	49	60	119	59
Murfreesboro	48	95.8	46	25	24	72	48
Texas:							
Big Spring	40	95.0	38	56	51	92	41
Bonham	100	95.0	95	55	53	156	103
Dallas	120	93.3	112	220	213	332	119
Houston	103	92.2	95	226	228	328	100
Kerrville	120	95.8	115	82	81	201	120
San Antonio	74	52.7	39	134	58	133	75
Temple	120	90.0	108	157	156	272	116
Waco	84	95.2	80	28	28	112	84
Utah: Salt Lake City	10	50.0	5	57	57	62	5

See footnotes at end of table.

TABLE 32—Continued

EXTENDED CARE

VA Medical Centers—Nursing Home Care Component:
Selected Data—Fiscal Year 1988

Location	Average Operating Beds ¹	Bed Occupancy Rate(%) ²	Average Daily Census ³	Admissions ⁴	Discharges and Deaths ⁴	Patients Treated ⁵	Patients Remaining on Sept.30, 1988
Vermont: White River Junction	30	90.0	27	187	185	216	31
Virginia:							
Hampton	120	97.5	117	215	220	338	118
Richmond	120	95.0	114	87	78	201	123
Salem	100	97.0	97	68	71	167	96
Washington:							
American Lake	76	94.7	72	28	30	103	73
Seattle	55	96.4	53	291	352	354	2
Spokane	60	96.7	58	137	137	200	63
West Virginia:							
Beckley	42	95.2	40	11	11	53	42
Martinsburg	120	98.3	118	50	51	171	120
Wisconsin:							
Tomah	100	98.0	98	55	56	156	100
Wood	200	94.5	189	298	297	498	201
Wyoming: Cheyenne	50	98.0	49	22	21	71	50

¹ Based on the number of operating beds at the end of each month for 13 consecutive months (September 1987–September 1988).² Average daily census as a percent of the average operating beds.³ Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year.⁴ Transfers included in individual facility totals excluded from overall total.⁵ Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.

Community Nursing Homes: Selected Data—Fiscal Year 1988

<i>Location of Authorizing VA Facility</i>	<i>Average Daily Census¹</i>	<i>Admissions²</i>	<i>Discharges and Deaths²</i>	<i>Patients Treated³</i>	<i>Patients Remaining on Sept. 30, 1988</i>
Total	12,405	29,350	30,567	42,232	11,665
Alabama:					
Birmingham	60	211	206	269	63
Montgomery	22	30	43	61	18
Tuscaloosa	57	98	116	164	48
Tuskegee	44	68	64	110	46
Alaska: Anchorage	26	122	120	147	27
Arizona:					
Phoenix	129	341	351	479	128
Prescott	54	165	162	219	57
Tucson	98	255	304	347	43
Arkansas:					
Fayetteville	18	51	53	67	14
Little Rock	158	445	494	645	151
California:					
Fresno	46	96	89	136	47
Livermore	23	53	45	74	29
Loma Linda	105	287	221	337	116
Long Beach	138	315	370	455	85
Martinez	87	184	207	274	67
Palo Alto	137	230	247	373	126
San Diego	58	125	136	188	52
San Francisco	48	247	207	251	44
Sepulveda	99	145	134	227	93
West Los Angeles	193	429	395	626	231
Colorado:					
Denver	68	187	179	265	86
Ft. Lyon	40	43	33	85	52
Grand Junction	25	90	93	115	22
Connecticut:					
Newington	44	73	63	97	34
West Haven	47	93	87	133	46
Delaware: Wilmington	62	192	199	250	51
District of Columbia: Washington	85	160	176	243	67
Florida:					
Bay Pines	155	545	569	705	136
Gainesville	80	202	190	277	87
Lake City	19	36	47	64	17
Miami	121	354	448	595	147
Tampa	141	511	526	647	121
Georgia:					
Atlanta	152	361	378	512	134
Augusta	146	328	319	473	154
Dublin	74	239	229	308	79
Hawaii: Honolulu	19	67	58	79	21
Idaho: Boise	29	101	131	144	13
Illinois:					
Chicago (Lakeside)	107	302	317	416	99
Chicago (West Side)	148	386	383	511	128
Danville	66	104	120	176	56
Hines	202	652	673	852	179
Marion	60	156	169	220	51
North Chicago	212	219	182	423	241
Indiana:					
Ft. Wayne	55	172	168	229	61
Indianapolis	82	267	326	370	44
Marion	100	127	113	211	98
Iowa:					
Des Moines	42	194	177	227	50
Iowa City	77	303	282	363	81
Knoxville	28	90	78	114	36

See footnotes at end of table.

TABLE 33—Continued

EXTENDED CARE

Community Nursing Homes: Selected Data—Fiscal Year 1988

<i>Location of Authorizing VA Facility</i>	<i>Average Daily Census¹</i>	<i>Admissions²</i>	<i>Discharges and Deaths²</i>	<i>Patients Treated³</i>	<i>Patients Remaining on Sept. 30, 1988</i>
Kansas:					
Leavenworth	79	234	239	313	74
Topeka	112	151	140	245	105
Wichita	64	224	230	295	65
Kentucky:					
Lexington	80	218	237	313	76
Louisville	94	323	254	356	102
Louisiana:					
Alexandria	52	150	141	189	48
New Orleans	82	231	280	340	60
Shreveport	117	360	349	460	111
Maine: Togus	66	144	135	201	66
Maryland:					
Baltimore	46	127	118	169	51
Ft. Howard	15	19	31	44	13
Perry Point	84	85	105	166	61
Massachusetts:					
Bedford	73	86	102	168	66
Boston	75	146	192	276	84
Brockton	140	144	176	311	135
Northampton	84	52	59	135	76
Michigan:					
Allen Park	89	217	224	323	99
Ann Arbor	56	174	164	235	71
Battle Creek	144	165	186	325	139
Iron Mountain	21	57	60	77	17
Saginaw	82	245	291	359	68
Minnesota:					
Minneapolis	286	838	864	1,112	248
St. Cloud	97	107	140	207	67
Mississippi:					
Biloxi	124	216	190	335	145
Jackson	83	252	248	318	70
Missouri:					
Columbia	68	222	256	293	37
Kansas City	84	264	356	431	75
Poplar Bluff	36	80	110	132	22
St. Louis	118	304	298	402	104
Montana:					
Ft. Harrison	40	142	137	185	48
Miles City	21	60	60	81	21
Nebraska:					
Grand Island	11	29	37	40	3
Lincoln	23	103	108	133	25
Omaha	50	210	226	276	50
Nevada: Reno	32	109	108	142	34
New Hampshire: Manchester	35	93	90	125	35
New Jersey:					
East Orange	109	187	207	293	86
Lyons	39	77	76	116	40
New Mexico: Albuquerque	71	159	148	224	76
New York:					
Albany	54	78	92	158	66
Batavia	10	17	11	24	13
Bath	43	92	108	139	31
Bronx	39	98	94	139	45
Brooklyn	59	142	158	200	42
Buffalo	72	171	149	228	79
Canandaigua	28	21	27	53	26
Castle Point	25	51	61	79	18
Montrose	35	42	45	79	34

See footnotes at end of table.

Community Nursing Homes: Selected Data—Fiscal Year 1988

<i>Location of Authorizing VA Facility</i>	<i>Average Daily Census¹</i>	<i>Admissions²</i>	<i>Discharges and Deaths²</i>	<i>Patients Treated³</i>	<i>Patients Remaining on Sept. 30, 1988</i>
New York	31	61	97	112	15
Northport	100	171	187	277	90
Syracuse	36	55	64	96	32
North Carolina:					
Asheville	106	287	239	350	111
Durham	81	187	191	260	69
Fayetteville	53	147	159	210	51
Salisbury	75	134	157	229	72
North Dakota: Fargo	45	126	137	171	34
Ohio:					
Chillicothe	216	369	389	606	217
Cincinnati	59	187	211	250	39
Cleveland	182	215	206	377	171
Dayton	106	182	160	280	120
Oklahoma:					
Muskogee	63	264	247	321	74
Oklahoma City	84	374	410	517	107
Oregon:					
Portland	123	405	479	524	45
Roseburg	77	194	186	257	71
White City	6	11	14	20	6
Pennsylvania:					
Altoona	39	72	113	146	33
Butler	40	103	94	141	47
Coatesville	185	200	241	428	187
Erie	31	98	83	102	19
Lebanon	123	242	269	389	120
Philadelphia	149	280	243	387	144
Pittsburgh (Highland Drive)	137	181	203	321	118
Pittsburgh (University Drive)	101	317	414	505	91
Wilkes-Barre	61	141	150	208	58
Puerto Rico: San Juan	76	231	249	286	37
Rhode Island: Providence	82	162	130	195	65
South Carolina:					
Charleston	49	124	135	175	40
Columbia	73	199	169	238	69
South Dakota:					
Ft. Meade	17	69	83	87	4
Hot Springs	7	27	30	35	5
Sioux Falls	35	158	169	190	21
Tennessee:					
Memphis	83	219	216	306	90
Mountain Home	122	256	263	390	127
Murfreesboro	70	156	120	202	82
Nashville	74	175	171	246	75
Texas:					
Amarillo	58	199	182	246	64
Big Spring	62	130	129	185	56
Bonham	48	140	155	203	48
Dallas	114	390	398	520	122
Houston	102	305	281	398	117
Kerrville	49	145	108	168	60
Marlin	22	49	51	72	21
San Antonio	123	341	451	588	137
Temple	76	199	287	365	78
Waco	105	153	170	270	100
Utah: Salt Lake City	92	247	291	364	73
Vermont: White River Junction	28	64	72	96	24
Virginia:					
Hampton	74	138	154	206	52

See footnotes at end of table.

TABLE 33—Continued

EXTENDED CARE

Community Nursing Homes: Selected Data—Fiscal Year 1988

<i>Location of Authorizing VA Facility</i>	<i>Average Daily Census¹</i>	<i>Admissions²</i>	<i>Discharges and Deaths²</i>	<i>Patients Treated³</i>	<i>Patients Remaining on Sept. 30, 1988</i>
Richmond	52	163	162	219	57
Salem	78	123	88	161	73
Washington:					
American Lake	86	181	196	276	80
Seattle	143	460	566	682	116
Spokane	48	130	154	187	33
Walla Walla	35	119	115	145	30
West Virginia:					
Beckley	22	89	89	112	23
Clarksburg	93	328	258	357	99
Huntington	88	238	242	336	94
Martinsburg	97	197	199	280	81
Wisconsin:					
Madison	45	153	160	207	47
Tomah	98	143	154	239	85
Wood	90	198	187	274	87
Wyoming:					
Cheyenne	23	94	85	111	26
Sheridan	22	36	43	66	23

¹ Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year.

² Transfers included in individual facility totals, excluded from overall total.

³ Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.

EXTENDED CARE

TABLE 34

State Domiciliary Homes: Selected Data—Fiscal Year 1988

Location of State Home Domiciliary	Location of Authorizing VA Facility	Average Daily Census ¹	Admissions	Discharges and Deaths	Patients Treated ²	Remaining on Sept. 30, 1988 ³
Total		4,026	3,208	3,411	7,411	4,000
Arkansas: Little Rock	Little Rock, AR	80	39	33	107	74
California: Yountville	San Francisco, CA	636	573	603	1,246	643
Colorado: Homelake	Denver, CO	64	55	71	124	53
Connecticut: Rocky Hill	Newington, CT	286	561	561	854	293
Georgia: Milledgeville	Dublin, GA	159	105	106	262	156
Idaho: Boise	Boise, ID	66	53	86	134	48
Illinois: Quincy	Iowa City, IA	86	50	51	133	82
Indiana: Lafayette	Indianapolis, IN	67	23	25	91	66
Iowa: Marshalltown	Des Moines, IA	99	55	50	151	101
Kansas: Fort Dodge	Wichita, KS	72	20	18	88	70
Louisiana: Jackson	New Orleans, LA	77	44	48	126	78
Maryland: Charlotte Hall	Washington, DC	103	82	69	180	111
Massachusetts:						
Chelsea	Boston, MA (OC)	280	228	224	506	282
Holyoke	Northampton, MA	31	22	23	53	30
Michigan:						
Grand Rapids	Allen Park, MI	126	68	68	198	130
Marquette	Iron Mountain, MI	83	25	17	99	82
Minnesota:						
Hastings	Minneapolis, MN	137	33	72	204	132
Minneapolis	Minneapolis, MN	142	57	67	218	151
Missouri: St. James	St. Louis, MO	32	55	59	92	33
Montana: Columbia Falls	Ft. Harrison, MT	45	25	32	74	42
Nebraska: Grand Island	Grand Island, NE	97	45	53	145	92
New Jersey: Menlo Park	East Orange, NJ	37	8	9	45	36
New Mexico:						
Truth or Consequences	Albuquerque, NM	14	17	16	31	15
New York: Oxford	Syracuse, NY	60	30	24	87	63
North Dakota: Lisbon	Fargo, ND	97	44	55	146	91
Ohio: Sandusky	Cleveland, OH	203	117	144	337	193
Oklahoma:						
Ardmore	Oklahoma City, OK	25	45	47	72	25
Clinton	Oklahoma City, OK	13	15	12	29	17
Sulphur	Oklahoma City, OK	23	37	35	59	24
Pennsylvania:						
Erie	Erie, PA	56	12	19	74	55
Holidaysburg	Altoona, PA	144	156	158	302	144
Rhode Island: Bristol	Providence, RI	36	17	13	50	37
South Dakota: Hot Springs	Hot Springs, SD	48	26	30	78	48
Vermont: Bennington	White River Jct., VT	23	53	55	77	22
Washington:						
Orting	Seattle, WA	57	36	37	96	59
Retsil	Seattle, WA	93	93	128	208	80
West Virginia: Barboursville	Huntington, WV	129	227	239	375	136
Wisconsin: King	Madison, WI	150	25	39	195	156
Wyoming: Buffalo	Sheridan, WY	52	32	15	65	50

See footnotes at bottom of page.

EXTENDED CARE

TABLE 35

State Home Hospitals: Selected Data—Fiscal Year 1988

Location of State Home Hospital	Location of Authorizing VA Facility	Average Daily Census ¹	Admissions	Discharges and Deaths	Patients Treated ²	Remaining on Sept. 30, 1988 ³
Total		489	2,358	2,365	2,848	483
California: Yountville	San Francisco, CA	24	633	637	655	18
Connecticut: Rocky Hill	Newington, CT	301	591	598	893	295
Illinois: Quincy	Iowa City, IA	10	278	277	291	14
Iowa: Marshalltown	Des Moines, IA	18	226	228	248	20
Massachusetts:						
Chelsea	Boston, MA (OC)	121	462	456	576	120
Holyoke	Northampton, MA	14	164	164	179	15
Oklahoma: Sulphur	Oklahoma City, OK	2	4	5	6	1

¹Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year.²Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.³Bed occupants only.

TABLE 36

EXTENDED CARE

State Nursing Care Homes: Selected Data—Fiscal Year 1988

Location	Location of Authorizing VA Facility	Average Daily Census ¹	Admissions	Discharges and Deaths	Patients Treated ²	Remaining on Sept. 30, 1988 ³
Total .....	.....	8,666	5,626	5,473	14,224	8,751
California: Yountville	San Francisco, CA	540	698	735	1,264	529
Colorado:						
Florence	Denver, CO	110	59	57	164	107
Homelake	Denver, CO	25	18	18	45	27
Rifle	Denver, CO	28	72	24	72	48
Georgia:						
Augusta	Augusta, GA	179	164	156	338	182
Milledgeville	Dublin, GA	219	99	57	277	220
Idaho: Boise	Boise, ID	79	30	38	116	78
Illinois:						
Manteno	Hines, IL	241	102	80	340	260
Quincy	Iowa City, IA	406	443	369	785	416
Indiana: Lafayette	Indianapolis, IN	306	119	109	424	315
Iowa: Marshalltown	Des Moines, IA	483	293	308	785	477
Kansas: Fort Dodge	Wichita, KS	69	22	23	92	69
Louisiana: Jackson	New Orleans, LA	126	56	55	186	131
Maine: Augusta	Togus, ME	98	53	52	145	93
Maryland: Charlotte Hall	Washington, DC	131	60	61	194	133
Massachusetts:						
Chelsea	Boston, MA (OPC)	52	52	65	111	46
Holyoke	Northampton, MA	239	132	161	381	220
Michigan:						
Grand Rapids	Allen Park, MI	543	227	212	772	560
Marquette	Iron Mountain, MI	104	41	35	141	106
Minnesota: Minneapolis	Minneapolis, MN	298	97	88	403	315
Missouri:						
Mexico	St. Louis, MO	130	116	122	253	131
Mt. Vernon	St. Louis, MO	93	122	128	220	92
St. James	St. Louis, MO	122	102	105	225	120
Montana: Columbia Falls	Ft. Harrison, MT	81	38	37	120	83
Nebraska: Grand Island	Grand Island, NE	537	207	181	731	550
New Hampshire: Tilton	Manchester, NH	81	19	28	103	75
New Jersey:						
Menlo Park	East Orange, NJ	307	80	80	379	299
Paramus	East Orange, NJ	98	17	56	151	95
Vineland	Wilmington, DE	256	282	277	534	257
New Mexico:						
Truth or Consequences	Albuquerque, NM	101	66	77	185	108
New York: Oxford	Syracuse, NY	66	37	34	99	65
Ohio: Sandusky	Cleveland, OH	319	85	81	394	313
Oklahoma:						
Ardmore	Oklahoma City, OK	137	135	133	272	139
Clinton	Oklahoma City, OK	139	136	136	278	142
Norman	Oklahoma City, OK	190	105	102	292	190
Sulphur	Oklahoma City, OK	138	153	152	292	140
Talihina	Oklahoma City, OK	155	197	177	348	171
Pennsylvania:						
Erie	Erie, PA	72	25	24	99	75
Holidaysburg	Altoona, PA	191	198	192	387	195
Rhode Island: Bristol	Providence, RI	239	47	54	290	236
South Carolina: Columbia	Columbia, SC	142	99	113	243	130
South Dakota: Hot Springs	Hot Springs, SD	23	14	15	39	24
Vermont: Bennington	White River Jct., VT	127	202	192	326	134
Washington:						
Orting	Seattle, WA	99	55	57	159	102
Retsil	Seattle, WA	179	142	118	308	190
Wisconsin: King	Madison, WI	369	110	99	462	363

¹ Based on the number of patient days during the fiscal year divided by the number of days in the fiscal year.

² Discharges and deaths during the fiscal year plus the number of patients on the rolls at the end of the fiscal year.

³ Bed occupants only.

AMBULATORY CARE

TABLE 37

**Outpatient Medical Care: Visits to VA Staff and Private Physicians on a Fee-For-Service Basis
Fiscal Years 1984—1988**

<i>Fiscal Year</i>	<i>Total Visits</i>	<i>Category of Visit</i>				
		<i>Visits to VA Staff</i>				<i>Total Fee Visits</i>
		<i>Total</i>	<i>Service- Connected Veterans</i>	<i>Nonservice- Connected Veterans</i>	<i>Nonveterans</i>	
1988	23,232,895	21,473,403	9,396,760	10,805,912	1,270,731	1,759,492
1987	21,634,757	19,837,424	8,759,011	10,104,380	974,033	1,797,333
1986	20,188,132	18,457,747	8,236,854	9,396,221	824,672	1,730,385
1985	19,600,849	17,789,582	7,985,300	8,988,252	816,030	1,811,267
1984	18,616,073	16,935,050	7,548,645	8,553,221	833,184	1,681,023

PHARMACY

TABLE 38

Pharmacy Activity – Fiscal Years 1987–1988

<i>Activity</i>	<i>FY 1988</i>	<i>FY 1987</i>
VA Pharmacies		
Prescriptions dispensed—Total	58,030,027	54,123,306
Inpatient	993,801	1,028,671
Ambulatory—Total	57,036,226	53,094,635
Methadone	1,095,985	1,149,284
All Other (including fee-basis filled by VA pharmacies)	55,940,241	51,945,351
Unit doses dispensed	167,793,390	168,659,665
Primary intravenous admixtures	2,033,841	2,065,208
Secondary intravenous admixtures ("piggy-backs")	10,029,342	9,768,347
Hyperalimentation	374,771	371,725
Fluids and sets	11,764,006	12,041,903
Fee-Basis		
Prescriptions filled by VA pharmacies	4,693,496	4,750,369
Prescriptions filled by participating pharmacies	224,531	273,616

TABLE 39

CONSTRUCTION

**Replacement and Relocation Hospital Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Number of Beds</i>	<i>Estimated Construction Cost²</i>	<i>Value of Work in Place</i>	<i>Percent Com- plete³</i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total	12	7,593	\$1,520,665,914	\$552,601,377	36	
A. Projects completed, Total	0					
B. Projects under construction, Total	10	6,390	1,139,588,914	552,601,377	48	
Georgia : Augusta (LD) ...		750	89,840,684	40,585,036	45	August 1985 (A)
Maryland : Baltimore		324	113,250,000	6,395,362	6	June 1987 (A)
Minnesota : Minneapolis		845	180,131,998	160,278,167	89	August 1982 (A)
Ohio : Dayton		618	77,042,000	1,664,758	2	March 1988 (A)
Oregon : Portland/ Vancouver		610	141,074,468	106,829,783	76	August 1982 (A)
Pennsylvania : Philadelphia		776	108,855,237	32,216,118	30	November 1985 (A)
: Pittsburgh (AD) .		400	57,867,388	.....	...	September 1988 (A)
Tennessee : Mountain Home .		530	58,085,000	31,317,567	54	March 1985 (A)
Texas : Houston		1,047	202,323,139	79,610,470	39	April 1986 (A)
Washington : Seattle		490	111,119,000	93,704,116	84	May 1980 (A)
C. Projects authorized—not under construction, Total	2	1,203	381,077,000			
Florida : Palm Beach Co.		400	127,000,000			
Michigan : Allen Park/ Detroit.		803	254,077,000			

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, or awarded, including contingencies.

³ Based on general construction only.

**Modernization Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

Location	Number of Projects	Description	Estimated Construction Cost ²	Value of Work In Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Total	7		\$484,161,832	\$192,145,567	40	
A. Projects completed, Total	1		67,553,152	67,553,152	100	
Louisiana : New Orleans		Clinical Expansion	67,553,152	67,553,152	100	November 1987 (C)
B. Projects under construction, Total	5		351,619,680	124,592,415	35	
Alabama : Birmingham		Ambulatory Care/Clinical Addition	54,038,000	43,184,087	80	September 1983 (A)
California : San Francisco		Remodel Buildings #2, 4, & 200	35,485,079	13,196,431	37	June 1983 (A)
Illinois : North Chicago		Environmental Improvements	89,046,967	13,678	0	September 1988 (A)
New Mexico : Albuquerque		Clinical Improvements	67,422,634	59,480,385	88	July 1983 (A)
New York : New York		OP/Clinical Addition & Alterations	105,627,000	8,717,834	8	September 1985 (A)
C. Projects authorized—not under construction, Total	1		64,989,000			
Georgia : Atlanta		Clinical Addition	64,989,000			

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, or awarded, including contingencies.

³ Based on general construction only.

TABLE 41

CONSTRUCTION

**Nursing Home Care Units Construction Projects¹—Fiscal Year 1988
Completions and Year-End Status**

Location	Number of Projects	Number of Nursing Home Care Beds	Estimated Construction Cost ²	Value of Work in Place	Per-cent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Total	27	2,554	\$142,825,597	\$50,906,249	36	
A. Projects completed, Total	2	360	21,473,191	21,473,191	100	
New Jersey : Lyons		240	14,252,284	14,252,284	100	August 1988 (C)
Texas : San Antonio		120	7,220,907	7,220,907	100	December 1987 (C)
B. Projects under construction, Total	7	697	42,641,720	29,433,058	69	
Arizona : Prescott		60	4,840,319	2,818,651	58	September 1987 (A)
California : West Los Angeles		120	7,240,846	4,449,496	61	July 1987 (A)
Colorado : Ft. Lyon		37	1,499,000	.....	...	September 1988 (A)
New York : Northport		120	7,490,584	7,356,541	98	September 1985 (A)
North Carolina : Durham		120	8,165,839	7,441,480	91	September 1986 (A)
Puerto Rico : San Juan		120	8,373,088	4,942,041	59	September 1986 (A)
Tennessee : Murfreesboro ...		120	5,032,044	2,424,849	48	June 1987 (A)
C. Projects authorized—not under construction, Total	18	1,497	78,710,686	.....	...
Projects \$1,000,000 and over, Total	17	1,447	77,800,048	.....	...
Arizona : Tucson		120	5,556,220	.....	...
California : San Francisco ..		120	9,128,000	.....	...
: W. Los Angeles (WADS)		117	4,286,000	.....	...
Florida : Tampa		120	5,669,000	.....	...
Louisiana : New Orleans		120	14,700,000	.....	...
Michigan : Saginaw		120	7,500,000	.....	...
New York : Batavia		35	1,475,745	.....	...
: Syracuse		30	1,864,000	.....	...
North Dakota : Fargo		50	1,250,000	.....	...
Ohio : Cleveland (BR) ..		95	1,593,500	.....	...
: Dayton		112	1,641,000	.....	...
Pennsylvania : Butler		36	1,124,255	.....	...
: Pittsburgh (HD) .		60	1,203,000	.....	...
: Wilkes-Barre ...		60	4,650,000	.....	...
Tennessee : Mountain Home .		120	6,677,000	.....	...
Texas : Amarillo		120	7,502,328	.....	...
Virginia : Richmond		12	1,980,000	.....	...
Projects under \$1,000,000, Total	1	50	910,638	.....	...

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, or awarded, including contingencies.

³ Based on general construction only.

**Research and Education Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

Location	Number of Projects	Description	Estimated Construction Cost ²	Value of Work In Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Total	15		\$44,543,001	\$5,413,953	12	
A. Projects completed, Total	1		564,101	564,101	100	
Missouri : St. Louis (JB)		Construct Research Lab	564,101	564,101	100	March 1988 (C)
B. Projects under construction, Total	7		24,698,749	4,849,852	20	
Projects \$1,000,000 and over, Total	5		22,946,521	4,132,470	18	
California : Palo Alto (PAD)		Animal Research Operatory	1,619,848	64,201	4	May 1988 (A)
Illinois : Danville		Construct Learning Resource Ctr.	1,723,026	1,219,970	71	September 1987 (A)
New York : Buffalo		Research Bldg./Clinical Expansion	15,851,913	1,523,505	10	May 1988 (A)
South Carolina : Columbia		Addition to Bldg. 9 (Research)	1,947,734	360,452	19	September 1987 (A)
Texas : Dallas		Renovate B-3, Research	1,804,000	964,342	53	October 1987 (A)
Projects under \$1,000,000, Total	2		1,752,228	717,382	41	
C. Projects authorized—not under construction, Total	7		19,280,151	.....	...
Projects \$1,000,000 and over, Total	7		19,280,151	.....	...
California : Palo Alto (PAD)		Exp. Rehab. Engr. & Res. Ctr. (PH3)	1,269,000	.....	...
Idaho : Boise		Construct Research Facility	1,569,874	.....	...
Illinois : Hines		New Animal Research Bldg.	1,477,000	.....	...
New Jersey : East Orange		Renovate Research Labs Bldg. 1	1,640,000	.....	...
Oklahoma : Oklahoma City		Reloc./Consol. Res, Exp. Clin. Lab	3,207,000	.....	...
Vermont : White River Jct.		Expand Animal Facility	1,876,277	.....	...
Projects Under \$1,000,000, Total	0	Research & Education Building	8,241,000	.....	...

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, awarded, including contingencies.

³ Based on general construction only.

TABLE 43

CONSTRUCTION

Other Improvements Construction Projects,¹ Fiscal Year 1988 Completions and Year-End Status

Location	Description	Estimated Construction Cost ²	Value of Work in Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
TOTAL	780 Projects	\$1,498,606,699	\$689,267,469	46	
A. Projects completed, Total	127 Projects	200,812,595	200,812,595	100	
Alabama : Tuscaloosa	Outpatient Addition	8,119,127	(*)	100	January 1988 (C)
Arizona : Prescott	Prefab. Library Building	201,108	(*)	100	June 1988 (C)
: Tucson	Addition Building 56 Research	352,086	(*)	100	February 1988 (C)
Arkansas : Fayetteville	Expand 3rd Floor for Offices	212,927	(*)	100	March 1988 (C)
: Fayetteville	Relocate Dental Service	437,166	(*)	100	April 1988 (C)
California : Fresno	New Warehouse	1,705,553	(*)	100	March 1988 (C)
: Livermore	Remodel Nurse Stn. Ward 4, Bldg. 62	337,146	(*)	100	December 1987 (C)
: Loma Linda	Cardiac Catheter. Lab.	433,883	(*)	100	June 1988 (C)
: Loma Linda	Remodel Rehab Medical Center	475,274	(*)	100	September 1988 (C)
: Long Beach	120 Bed SCIU Addition	18,506,904	(*)	100	September 1988 (C)
: Long Beach	Construct Supply Warehouse	3,121,357	(*)	100	June 1988 (C)
: Long Beach	Expand/Relocate Prosthetics, B-122	418,632	(*)	100	December 1987 (C)
: Long Beach	Retrofit HVAC, Phase 1, Bldg. 1	204,881	(*)	100	December 1987 (C)
: Martinez	Telephone System Expansion & Renovation	505,402	(*)	100	August 1988 (C)
: Palo Alto	Improve Secondary Electrical Dist.	981,750	(*)	100	May 1988 (C)
: San Diego	SCI Unit/SCI/OP Clinic	9,577,466	(*)	100	July 1988 (C)
: San Diego	SCI Unit/SCI OP Clinic—4th Gen.	172,400	(*)	100	July 1988 (C)
: San Francisco	Correct Electrical Deficiencies	764,431	(*)	100	September 1988 (C)
Colorado : Denver	HVAC Bldgs. 4 & 5 (Patient Areas)	158,266	(*)	100	October 1987 (C)
Connecticut : Newington	Oxy., Med. Air, Patient Room, Bldg. 1	429,054	(*)	100	March 1988 (C)
Delaware : Wilmington	Hemodialysis Unit	424,280	(*)	100	October 1987 (C)
: Wilmington	Respiratory Care Unit	417,146	(*)	100	October 1987 (C)
Dist. of Col. : Washington	Convert to Variable Air Volume System	333,350	(*)	100	January 1988 (C)
: Washington	Install P.E.T. Scanner	139,700	(*)	100	January 1988 (C)
: Washington	Renovate Space (Radiology Expand)	331,627	(*)	100	December 1987 (C)
Florida : Bay Pines	Improve Exterior Recreation Facility	415,670	(*)	100	July 1988 (C)
: Gainesville	Install 2nd CAT Scanner	242,749	(*)	100	December 1987 (C)
: Lake City	Renovate Old NHCU Building 62	395,224	(*)	100	March 1988 (C)
: Tampa	Construct Lobby	379,424	(*)	100	June 1988 (C)
: Tampa	Construct SLAB (BMS), Building 1	361,636	(*)	100	November 1987 (C)
: Tampa	Overhead Crossover Walk to Use	465,000	(*)	100	July 1988 (C)
Georgia : Dublin	Install CAT Scanner	142,466	(*)	100	September 1988 (C)
: Dublin	Renovate DOM B34 (Bath, F&S PH2 Wkwy)	231,538	(*)	100	September 1988 (C)
Illinois : Chicago (LS)	Remodel Lab Space (MSB)	336,624	(*)	100	May 1988 (C)
: Danville	Renovate B-14 for Administration	2,800,315	(*)	100	December 1987 (C)
: Hines	New Warehouse/Service Building	7,786,321	(*)	100	December 1987 (C)
: Marion	Dental/Medical Support	1,215,434	(*)	100	April 1988 (C)
Indiana : Indianapolis	Radiation/Oncology Center	1,926,474	(*)	100	July 1988 (C)
: Marion	Elevators, Buildings 12 & 15	337,511	(*)	100	February 1988 (C)
Iowa : Knoxville	Upgrade Nurse Station B-67 & 68	242,887	(*)	100	May 1988 (C)
Kansas : Topeka	Install A-O-V, Building 9	431,932	(*)	100	December 1987 (C)
: Topeka	Handicap Toilets, Fountains, Ramps	341,800	(*)	100	January 1988 (C)
: Wichita	Remodel Rehab Medicine, Building 1	274,735	(*)	100	August 1988 (C)
Kentucky : Louisville	Correct Exit Deficiencies, Bldg. 1	1,108,679	(*)	100	March 1988 (C)
Louisiana : Alexandria	Renovate Buildings 1 & 5	574,021	(*)	100	October 1987 (C)
: Alexandria	Return & Exhaust Air Bldgs. 1-3 & 8	492,624	(*)	100	November 1987 (C)
: New Orleans	Renovate Kitchen	1,021,072	(*)	100	January 1988 (C)
: New Orleans	Ward Renovation	470,478	(*)	100	April 1988 (C)
: Shreveport	Amb. Care Bldg./Linear Accelerator	10,970,618	(*)	100	December 1987 (C)
Maine : Togus	Building 207 East Wing	1,049,550	(*)	100	October 1987 (C)
Maryland : Baltimore	Small Animal Facility	522,649	(*)	100	October 1987 (C)
: Perry Point	Add Elevator (Warehouse) Bldg. #11	291,975	(*)	100	January 1988 (C)
Massachusetts : Boston	Add Exits, Subbase, Bldg. 1A, 3C & 3D	513,870	(*)	100	August 1988 (C)
: Boston	MRI Suite	1,537,103	(*)	100	October 1987 (C)
: Boston	Renovate Dietetic Kitchen	221,056	(*)	100	April 1988 (C)
: Boston	Renovate Dietetic Kitchen (2nd contract)	296,822	(*)	100	April 1988 (C)
Michigan : Allen Park	Install Demand Controllers	306,200	(*)	100	May 1988 (C)
: Battle Creek	Canteen Addition	392,325	(*)	100	January 1988 (C)
: Battle Creek	Elev. Corridor between Bldg. 2 & 5	206,538	(*)	100	March 1988 (C)
: Iron Mountain	Sprinkler - Building 1	1,588,400	(*)	100	October 1987 (C)
Minnesota : St. Cloud	Renovate Wards 1st Floor Bldg. 50	1,242,034	(*)	100	January 1988 (C)
Missouri : Columbia	TV Sec. Control Sys. & Mag. Door Lock	171,468	(*)	100	March 1988 (C)
: Poplar Bluff	Install Air Handling Unit & Chiller	413,686	(*)	100	January 1988 (C)
: St. Louis (JB)	A/C Kitchen at JB Division	537,500	(*)	100	January 1988 (C)
: St. Louis (JC)	Canteen Stor., Toilets, Lght-Bldg. 24	472,214	(*)	100	February 1988 (C)
: St. Louis (JB)	Install Research Lab. 1E3	259,146	(*)	100	May 1988 (C)
: St. Louis (JB)	Install Water Lines (JB)	269,295	(*)	100	April 1988 (C)
: St. Louis (JC)	Remodel Ward 6N	1,197,808	(*)	100	January 1988 (C)

See footnotes at end of table.

Other Improvements Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status

Location		Description	Estimated Construction Cost ²	Value of Work in Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Nebraska	: Grand Island	F&S Improvements, HVAC, PVIV. Support	4,662,489	(*)	100	July 1988 (C)
	: Omaha	Outpatient Clinic Addition	47,529	(*)	100	November 1987 (C)
New Hampshire	: Manchester	Expand General MICU/SICU	518,816	(*)	100	December 1987 (C)
New Jersey	: Somerville	Install Sprinkler System Bldg. T-1	316,871	(*)	100	February 1988 (C)
New York	: Albany	Expand Ambulatory Care	494,881	(*)	100	April 1988 (C)
	: Albany	Modify Wards (Phase 1)	893,206	(*)	100	May 1988 (C)
	: Albany	Renovate 6B, Research	453,114	(*)	100	April 1988 (C)
	: Bath	Relocate Utilities, Building 29	169,988	(*)	100	December 1987 (C)
	: Bath	Renovate Building 178, NHCU	5,803,768	(*)	100	October 1987 (C)
	: Brooklyn	Fire & Safety Improvements	4,256,617	(*)	100	July 1988 (C)
	: Brooklyn	Replace Patient TV System	380,090	(*)	100	October 1987 (C)
	: Brooklyn	Telephone System Replacement	1,488,611	(*)	100	February 1988 (C)
	: Castle Point	REM. ASB., Boilers and Stack	481,114	(*)	100	November 1987 (C)
	: Montrose	Emergency Generator	614,723	(*)	100	November 1987 (C)
	: Montrose	Sprinkler System (Various Bldgs.)	413,645	(*)	100	December 1987 (C)
	: Northport	Telephone Equipment Room	362,647	(*)	100	December 1987 (C)
North Carolina	: Fayetteville	Clinical Addition	10,617,257	(*)	100	March 1988 (C)
	: Salisbury	Psych. Intermediate Care Unit	652,562	(*)	100	May 1988 (C)
Ohio	: Chillicothe	Renovate Building 1 (PH 3)	4,247,646	(*)	100	July 1988 (C)
	: Chillicothe	Water Well System (PH 2)	505,353	(*)	100	March 1988 (C)
Oklahoma	: Oklahoma City	Auditorium Building	356,832	(*)	100	October 1987 (C)
Oregon	: White City	Remodel Bldg. 207S (P/M Quarters)	438,246	(*)	100	June 1988 (C)
	: White City	Renov. & Clinical Add., Bldg. 201, OPC	511,815	(*)	100	December 1987 (C)
Pennsylvania	: Altoona	Ambulatory Care Addition	8,473,454	(*)	100	July 1988 (C)
	: Lebanon	Relocate Pharmacy to Building 17	409,174	(*)	100	November 1987 (C)
	: Pittsburgh	Relocate Linen Chute	133,862	(*)	100	June 1988 (C)
	: Pittsburgh	Renovate for Research Labs	257,098	(*)	100	October 1987 (C)
	: Wilkes-Barre	Sprinkler System Bldgs. 8, 11 & 12	96,377	(*)	100	May 1988 (C)
	: Charleston	Clinical Services Addition & Renov.	8,120,552	(*)	100	August 1988 (C)
South Carolina	: Charleston	Construct Warehouse & Offices	700,883	(*)	100	October 1987 (C)
South Dakota	: Sioux Falls	Develop Acquired Land	691,839	(*)	100	July 1988 (C)
Tennessee	: Memphis	Female Privacy Facilities	233,772	(*)	100	March 1988 (C)
	: Murfreesboro	Relocate & Expand SICU	775,668	(*)	100	January 1988 (C)
Texas	: Nashville	Addition & Renov. of Clinical Support	17,686,092	(*)	100	February 1988 (C)
	: Amarillo	Upgrade Primary Elect. Dist. Sys.	2,872,075	(*)	100	December 1987 (C)
	: Dallas	Relocate & Expand Nuclear Medicine	227,000	(*)	100	August 1988 (C)
	: Kerrville	MAS File Room	359,827	(*)	100	July 1988 (C)
	: San Antonio	Supply Warehouse and SPD	3,731,357	(*)	100	November 1987 (C)
	: San Antonio	Clinical Expan. & Reloc. Support Fac.	13,081,253	(*)	100	May 1988 (C)
	: Temple	Const. Exterior Elevators B-2, 12 & 18	442,592	(*)	100	January 1988 (C)
	: Waco	Renovate Buildings 10 & 90 (PH 1)	965,255	(*)	100	February 1988 (C)
	: Waco	Telephone System Replacement	1,060,000	(*)	100	March 1988 (C)
	: Waco	Expand MICU	663,061	(*)	100	April 1988 (C)
	: White River Jct.	Install Sprinkler System, Bldg. 31	843,331	(*)	100	January 1988 (C)
	: White River Jct.	Linear Accelerator	1,552,606	(*)	100	January 1988 (C)
Virginia	: Richmond	Establish Unit Dose Pharmacy	216,850	(*)	100	July 1988 (C)
Washington	: American Lake	Remod. 2nd Flr., Bldg. 13 for Labs, Res.	371,188	(*)	100	April 1988 (C)
	: Seattle	Add HVAC, 3rd Floor Building 1	434,013	(*)	100	January 1988 (C)
	: Spokane	Expand/Renovate Canteen	290,459	(*)	100	May 1988 (C)
	: Spokane	Supply Storage Warehouse	692,717	(*)	100	July 1988 (C)
West Virginia	: Beckley	Update Electrical System	987,070	(*)	100	May 1988 (C)
	: Huntington	Alternate Electrical Source	496,329	(*)	100	May 1988 (C)
	: Martinsburg	Renovate Building 205 for DOM	390,948	(*)	100	December 1987 (C)
	: Martinsburg	Renovate for C.T. Equipment	161,005	(*)	100	May 1988 (C)
Wisconsin	: Madison	Correct Exit Deficiencies	222,614	(*)	100	October 1987 (C)
	: Madison	Sprinkler C-Wing and Haz. Areas	280,199	(*)	100	October 1987 (C)
	: Milwaukee	Install TV Outlets Pat. Rms. B-111(PH1)	386,317	(*)	100	January 1988 (C)
Wyoming	: Cheyenne	Equipment Storage Building	112,900	(*)	100	March 1988 (C)
	: Sheridan	Water Filtration Plant	489,251	(*)	100	October 1987 (C)
B. Projects under construction, Total		371 Projects	867,612,939	488,454,874	56	
Projects \$1,000,000 and over, Total		118 Projects	771,474,545	437,355,517	57	
Alabama	: Montgomery	Outpatient and Ward Renovation	23,677,000	.....	...	September 1988 (A)
	: Tuskegee	Correct Fire Deficiencies	1,496,133	534,018	36	March 1988 (A)
Arizona	: Tucson	Renovate 1st Floor Building 3	1,255,000	.....	...	September 1988 (A)
California	: Fresno	Reconstruct MICU/CCU & Stepdown	1,892,011	1,382,833	73	September 1987 (A)
	: Long Beach	Correct Fire Protection Deficiencies	1,852,984	.....	...	September 1988 (A)
	: Long Beach	Upgrade Secondary Electrical Distr.	4,708,232	1,967,981	42	September 1987 (A)
	: Palo Alto (PAD)	SCI Addition	14,931,743	10,942,476	73	November 1986 (A)
	: San Diego	Emergency Gen. & Conserv. of Energy	3,884,183	3,850,968	99	December 1986 (A)

See footnotes at end of table.

TABLE 43—Continued

CONSTRUCTION

Other Improvements Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status

Location		Description	Estimated Construction Cost ²	Value of Work in Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Colorado	San Diego	Fire & Safety Improvements	1,758,838	.....	...	September 1988 (A)
	Sepulveda	Psych. Outpatient Building 4	1,820,000	.....	...	September 1988 (A)
	West Los Angeles	Safety Improvements Building 304	1,044,000	.....	...	September 1988 (A)
	Grand Junction	Outpatient and Clinical Addition	8,781,849	8,583,893	98	September 1986 (A)
Dist. of Col.	Washington	Additional Sprinklers	1,330,195	534,594	40	August 1987 (A)
	Washington	Enclose C Roof	1,685,150	30,400	2	July 1988 (A)
Florida	Gainesville	Install Diagnostic MRI	1,571,445	1,560,845	99	April 1987 (A)
	Miami	Smoke Control Sys. & Fire Alarm	1,635,414	1,039,998	64	July 1987 (A)
Idaho	Boise	Connecting Corridor Bldgs. 27-29	1,168,800	.....	...	September 1988 (A)
	Boise	Geothermal Conversion	3,496,402	3,401,163	97	March 1987 (A)
Illinois	Chicago (LS)	Modernize Wards 11th Floor	1,435,000	.....	...	September 1988 (A)
	Chicago (WS)	OP Add. & Renovate of Bldg. 11A & B	20,242,145	20,240,000	99	August 1984 (A)
	Chicago (WS)	Remodel Surgical Suite (OR)	1,865,255	1,644,120	88	September 1985 (A)
	Hines	40 Bed Long Term SCI Unit	4,610,107	1,950,008	42	September 1987 (A)
	Hines	180 Bed Psychiatric Repl. Facility	21,706,744	5,733,591	26	November 1987 (A)
	Hines	New Linear Acceleration Facility	1,635,790	1,007,625	62	June 1987 (A)
	Hines	Renovate Building 200 PH1 Lab. Svc.	1,247,278	.....	...	September 1988 (A)
	Hines (DPC)	2nd Flr. Addition, Building 215	1,537,929	433,885	28	September 1987 (A)
	Marion	Correct Seismic Deficiencies	3,643,000	.....	...	September 1988 (A)
	Marion	Expand Dietetics/SPD	1,653,140	1,199,871	73	April 1987 (A)
Indiana	Indianapolis (TSD)	Backfill, Alter., New Wing Addition	1,327,639	.....	...	September 1988 (A)
	Indianapolis (TSD)	Fire & Safety Improvements (WT & CS)	6,200,000	.....	...	September 1988 (A)
	Indianapolis (TSD)	Warehouse /Laundry Consolidation	1,985,995	1,899,192	96	April 1987 (A)
	Marion	Addition to Laundry	1,323,094	1,264,295	96	November 1986 (A)
Iowa	Marion	Phone System Modernization	1,995,054	1,500,310	75	September 1986 (A)
	Iowa City	Ambulatory Care/Clinical Add. (PH 2)	19,249,487	14,206,808	74	September 1986 (A)
	Knoxville	Connecting Corridors (W.Campus)	1,771,000	.....	...	September 1988 (A)
Kansas	Knoxville	Fire & Safety Improvements	1,825,339	1,197,486	66	September 1987 (A)
	Topeka	F/S, Patient Privacy & Elec. Improvements	15,590,347	11,087,198	71	December 1986 (A)
Kentucky	Lexington (UD)	Clinical Addition	26,916,429	21,746,830	81	July 1986 (A)
	Lexington (UD)	F/S Improvements (Deaden Corridor)	1,038,915	997,467	96	July 1987 (A)
	Louisville	Clinical & Education Addition	11,019,259	10,062,185	91	August 1986 (A)
Louisiana	Alexandria	Clinical Improvement	21,268,984	19,649,948	92	September 1986 (A)
Maine	Togus	Clinical Improvements, Bldg. 200	22,994,700	2,162,543	9	July 1988 (A)
Maryland	Fort Howard	Multi-Purpose Building	1,587,000	.....	...	June 1988 (A)
	Fort Howard	Renovate 1st & 2nd Floors Bldg. 6	1,306,320	533,500	41	March 1988 (A)
	Perry Point	Elevator Bldg. 11, 13-15, 22, 80 & 82	1,563,036	1,512,483	97	September 1985 (A)
Massachusetts	Boston	F/S Improvements: Sprinklers	3,392,820	1,135,158	33	September 1987 (A)
	Brockton	Modernize Buildings 2 & 7	19,566,025	12,835,668	66	September 1985 (A)
	Brockton (WR)	OPC Add., Research & Educ., Admin Svc.	36,069,558	27,390,888	76	September 1986 (A)
	Northampton	Replace Telephone System	1,596,000	.....	...	September 1988 (A)
Michigan	Allen Park	Install Sprinklers—Patient Areas	1,577,441	1,500,973	95	September 1986 (A)
	Ann Arbor	Linear Accelerator	1,859,100	.....	...	September 1988 (A)
Mississippi	Jackson	Clinical Addition	32,767,000	.....	...	September 1988 (A)
	Jackson	Install Sprinklers	1,560,561	1,145,742	73	September 1987 (A)
	Jackson	Renovate Electrical System	1,418,194	372,678	26	April 1988 (A)
	Jackson	Upgrade Electrical Distr. System	1,560,817	.....	...	September 1988 (A)
Missouri	Kansas City	Renovate Dietetics	1,297,500	.....	...	September 1988 (A)
	St. Louis (JB)	Clin Addn/WD Renovate/New Amb. Care	28,315,789	26,349,494	93	July 1983 (A)
	St. Louis (JB)	Laundry Replacement	1,913,813	1,367,025	71	September 1987 (A)
	St. Louis (JB)	Remodel 1st Floor	1,591,135	.....	...	September 1988 (A)
	St. Louis (JB)	Renovate Ward 7B	1,163,094	301,096	26	March 1988 (A)
	St. Louis (JB)	Seismic Corrections	12,405,230	2,661,304	21	November 1987 (A)
Nebraska	Omaha	Correct Elec. Fire/Safety Deficiencies	3,358,156	1,348,359	40	July 1987 (A)
New Jersey	East Orange	Improve and Correct Envir. Def.	28,996,362	28,721,362	99	August 1983 (A)
	East Orange	Upgrade MICU	1,288,420	388,521	30	January 1988 (A)
New Mexico	Lyons	Fire and Safety Improvements	4,145,297	1,666,389	40	September 1987 (A)
	Albuquerque	Renovations—Building 4	1,849,935	.....	...	September 1988 (A)
New York	Albany	Modify Wards	19,982,057	2,730,637	14	December 1987 (A)
	Albany	Renovate 1C Clinics	1,221,221	.....	...	September 1988 (A)
	Castle Point	Building Addition	7,934,041	6,871,679	87	August 1986 (A)
	Castle Point	Laboratory Addition	1,554,880	1,354,429	87	June 1987 (A)
	Montrose	Additional Elevators (PH 2)	1,059,330	867,340	82	June 1987 (A)
	Northport	10 Bed SICU	1,879,518	1,835,018	98	March 1986 (A)
	Syracuse	F&S, Patient Privacy & Sup. Sys. & HVAC	27,467,082	26,884,270	98	June 1985 (A)
	Asheville	Dietetic Kitchen Renovation	1,274,900	14,500	1	August 1988 (A)
	Durham	Boiler Plant Replacement	2,900,481	2,026,234	70	September 1986 (A)
	Salisbury	F/S Improvements (Stdps & Fire Pmps)	1,771,956	869,227	49	November 1986 (A)
Ohio	Salisbury	Geropsychiatric Building	15,591,323	10,900,327	70	September 1987 (A)
	Cincinnati	Remodel Morgue, Loading Dock	1,297,371	1,293,815	99	June 1986 (A)
	Cincinnati	Renovate 8th Floor, Psych Ward	1,454,316	1,439,343	99	August 1986 (A)
	Cleveland (B)	Clinical Imprv., Relocate Surg. Svc.	8,225,497	2,588,256	31	September 1987 (A)

See footnotes at end of table.

**Other Improvements Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

Location		Description	Estimated Construction Cost ²	Value of Work in Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Pennsylvania	: Cleveland (B)	Replace Fire Alarm System	1,088,757	1,055,359	97	September 1983 (A)
	: Dayton	12KV Distribution System	1,780,502	329,600	19	June 1988 (A)
	: Dayton	Fire and Safety, Various Bldgs.	1,369,261	1,298,422	95	July 1987 (A)
	: Dayton	Steam Sys. Bldgs. 307, 310, 315 & 143	1,608,667	928,021	58	December 1987 (A)
	: Coatesville	Air Conditioning—Remaining Wk.	3,058,774	2,183,732	71	June 1986 (A)
	: Coatesville	Fire and Safety Improvements	9,805,842	5,629,408	57	June 1986 (A)
	: Coatesville	New Kitchen and Dining Hall	6,343,405	1,168,310	18	November 1987 (A)
	: Erie	Construct Warehouse/Prime Elec.	1,916,163	1,891,155	99	August 1987 (A)
	: Philadelphia	Sprinkler Hosp., Bldg. (034APF)	1,325,038	453,459	34	September 1987 (A)
	: Pittsburgh (HD)	Mod HVAC, F/Smoke Det. & Sec. Elec.	27,675,504	21,043,606	76	September 1986 (A)
South Dakota	: Pittsburgh (UD)	Outpatient Clinic Addition	21,557,400	21,376,880	99	September 1984 (A)
	: Wilkes-Barre	Alcohol Treatment Unit	1,246,093	990,404	79	September 1987 (A)
	: Ft. Meade	Medical Support Service Exp.	1,160,000	.....	...	September 1988 (A)
	: Ft. Meade	Renovate Surgical Suite	1,710,587	.....	...	September 1988 (A)
Tennessee	: Hot Springs	Renovate Dietetics, Bldg. 53 (PH 1)	1,307,138	662,133	51	September 1987 (A)
	: Murfreesboro	Life Safety Code Deficiencies	1,332,627	1,313,510	99	September 1987 (A)
Texas	: Bonham	Const. Central Air Condition Plant	1,351,329	1,315,007	97	September 1987 (A)
	: Dallas	Expand Cobalt Therapy	1,725,732	685,891	40	April 1988 (A)
	: Dallas	Expand Laundry for NHCU	1,381,020	1,250,633	91	March 1988 (A)
	: Dallas	Fire and Safety Improvements	1,512,000	1,492,237	99	January 1985 (A)
Utah	: Waco	New Dietetics Building	4,277,129	4,099,258	96	August 1986 (A)
	: Waco	Renovate Buildings 10 & 90	7,638,354	3,374,901	44	September 1987 (A)
	: Salt Lake City	Egress Improvements	1,496,546	453,597	30	April 1988 (A)
	: Salt Lake City	Electrical Improvements	2,868,852	1,750,226	61	November 1987 (A)
Virginia	: Salt Lake City	Expand Radiology	1,670,891	1,340,638	80	September 1987 (A)
	: Salt Lake City	Fire & Safety Imprv. (Sprinklers)	1,109,377	97,495	9	April 1988 (A)
	: Salt Lake City	MRI Addition	1,105,043	895,867	81	September 1987 (A)
	: Hampton	Electrical System Modernization	1,526,918	1,011,291	66	September 1987 (A)
Washington	: Hampton	Fire and Safety Improvements	4,323,504	3,216,741	74	September 1986 (A)
	: Salem	OP Clinic, Nursing Unit (PH 1A)	49,440,000	3,845,861	8	May 1988 (A)
	: American Lake	Laundry Replacement	2,900,796	2,706,318	93	September 1987 (A)
	: Spokane	Add HVAC Plant	1,442,148	1,375,463	95	September 1987 (A)
West Virginia	: Clarksburg	Clinical Add. & Alterations	22,119,693	19,864,199	90	September 1986 (A)
Wisconsin	: Milwaukee	Correct Elec. Defic./Prm. Pow (DOM Area)	1,669,776	1,159,485	69	September 1987 (A)
	: Milwaukee	Emergency Generator Building 111	1,160,118	1,024,928	88	August 1985 (A)
	: Milwaukee	Telephone System Replc. Site Prep.	1,157,401	943,181	81	April 1987 (A)
	: Tomah	Modernize Building 433 & 404	5,613,575	2,195,772	39	October 1987 (A)
Wyoming	: Cheyenne	Expand & Renov. B-1 for Clin. Func.	11,864,000	2,214,283	19	March 1988 (A)
Projects under \$1,000,000, Total			253 Projects	96,138,394	51,099,357	53
C. Projects authorized—not under construction, Total			282 Projects	430,181,165	.....	.....
Projects \$1,000,000 and over, Total			90 Projects	358,055,113	.....	.....
Alabama	: Tuskegee	Correct Handicapped Barriers	1,461,000	.....	.....	.....
	: Tuskegee	Fire and Safety Improvements	1,318,000	.....	.....	.....
	: Tuskegee	Fire and Safety Improvements	1,737,000	.....	.....	.....
Arizona	: Phoenix	Remodel Building 21	1,000,000	.....	.....	.....
California	: Livermore	F/S Imprv., 1 Svc Elev, Exp. Amb. Care	12,331,000	.....	.....	.....
	: Livermore	Widen Bridge & Entrance Road	1,140,002	.....	.....	.....
	: Long Beach	Expand/Renovate Radiation Therapy	1,500,000	.....	.....	.....
	: Long Beach	Relocate/Console Hemod. 5N Bldg. 126	1,024,000	.....	.....	.....
	: Long Beach	Underground Water Storage	1,300,000	.....	.....	.....
	: Los Angeles	Outpatient Clinic Building	49,632,000	.....	.....	.....
	: Martinez	Fire & Safety Corrections	1,950,000	.....	.....	.....
	: San Diego	Non-Structural Seismic Corr.	5,500,000	.....	.....	.....
	: San Diego	Remodel MICU/CCU	1,385,600	.....	.....	.....
	: San Francisco	Non-Structural Seismic Defic.	1,488,512	.....	.....	.....
	: West Los Angeles	Bldg. 300 Flr. 2N Remodel Canteen	1,546,000	.....	.....	.....
Colorado	: Ft. Lyon	Patient Privacy, 4B	1,082,800	.....	.....	.....
Connecticut	: West Haven	Fire and Safety Improvements	5,500,000	.....	.....	.....
	: West Haven	Telephone Conduit System	1,348,900	.....	.....	.....
Delaware	: Wilmington	Patient Privacy	1,548,000	.....	.....	.....
	: Wilmington	Renovation of Dietetics	1,179,094	.....	.....	.....
Florida	: Miami	Renovate MICU/CCU	1,583,000	.....	.....	.....
	: Miami	Elevated Parking Structure	1,470,000	.....	.....	.....
Georgia	: Dublin	Patient Privacy, Bldg. 13	1,593,400	.....	.....	.....
Illinois	: Chicago (WS)	Fire & Safety/Patient Priv. Imprv.	5,136,000	.....	.....	.....
	: Chicago (WS)	Renov. Bldgs. 11A & 11B (PH II)	14,672,000	.....	.....	.....
	: Danville	Reloc. Amb. Cr. Nuc. Med. & Rad. Ste.	1,554,000	.....	.....	.....

See footnotes at end of table.

TABLE 43—Continued

CONSTRUCTION

Other Improvements Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status

Location		Description	Estimated Construction Cost ²	Value of Work in Place	Percent Complete ³	Date Construction Completed (C) or Contract Awarded (A)
Indiana	: Marion	Correct Electrical Defic. (PH 3)	1,641,284	.....	.....
Kansas	: Wichita	Construct Regional Office	4,799,000	.....	.....
Kentucky	: Lexington (LD)	Renovate Kitchen Bldg. 3	1,233,000	.....	.....
Maine	: Togus	Clinical Improvements—Phase 2	6,000,000	.....	.....
Massachusetts	: Bedford	Correct Egress Deficiencies	1,574,468	.....	.....
	: Bedford	Sprinkler Bldgs. 70, 78 & 80	1,316,768	.....	.....
	: Northampton	Sprinkler Bldgs. 3, 6, 7, & 36	1,804,650	.....	.....
Minnesota	: St. Cloud	Renovate Wards 1st Flr. Bldg. 50	1,180,000	.....	.....
Missouri	: Poplar Bluff	Electrical Distr. System Imprv.	1,578,000	.....	.....
	: St. Louis (JB)	Energy Recovery System	1,285,600	.....	.....
	: St. Louis (JB)	Renovate Ward 4N Building 1	1,170,000	.....	.....
	: St. Louis (JB)	Renovate Ward 5N Building 1	1,220,000	.....	.....
	: St. Louis (JB)	Remodel Building #53	7,909,000	.....	.....
Montana	: Fort Harrison	Renovate Ward 3	1,177,000	.....	.....
	: Miles City	Remodel Ward 4	1,141,894	.....	.....
New Hampshire	: Manchester	Clinical Upgrade & Warehouse Bldg	1,330,400	.....	.....
New Jersey	: East Orange	Replace Telephone Switchboard	1,319,000	.....	.....
	: Lyons	Renovate Bldg. 4—Intermediate Care	5,215,000	.....	.....
	: Lyons	Renovate Bldg. 7 & 57	13,565,000	.....	.....
New Mexico	: Albuquerque	Renovate Chiller Connection B-9	1,531,915	.....	.....
New York	: Albany	Install Sprinkler System	1,645,300	.....	.....
	: Albany	Renovate 1D Admitting	1,393,074	.....	.....
	: Albany	Renovate Chemistry Lab	1,533,953	.....	.....
	: Bronx	Therapeutic Pool Addition	1,072,000	.....	.....
	: Brooklyn	Centralized Tray Service	1,651,758	.....	.....
	: Brooklyn	Linear Accelerator Building	1,125,000	.....	.....
	: Brooklyn	Renov Wards (8W & 13W) Bldg. 1	1,482,000	.....	.....
	: Brooklyn (SA)	Mod. Kitchen & Sat. Dining Areas	3,746,000	.....	.....
	: Buffalo	Remodel Main Kitchen	1,542,097	.....	.....
	: Canandaigua	Total Sprinkler System	1,589,250	.....	.....
	: Montrose	Patient Privacy Building 4	1,274,000	.....	.....
	: Montrose	Emergency Generators	1,959,000	.....	.....
	: New York	Fire Alarm System	1,950,000	.....	.....
	: Northport	Correct Fire & Safety Deficiencies	1,470,600	.....	.....
	: Northport	Linear Accelerator	1,520,000	.....	.....
North Carolina	: Durham	Clinical Add./F&S in Wings	27,859,000	.....	.....
Ohio	: Cleveland (B)	Fire and Safety Improvements	2,218,000	.....	.....
	: Cleveland (WP)	Fire and Safety Improvements	4,913,049	.....	.....
Oregon	: Roseburg	Relocate Surgery to 3 North	1,363,600	.....	.....
Pennsylvania	: Altoona	Warehouse Building	1,347,500	.....	.....
	: Erie	OPC Modernization/Expansion	1,647,307	.....	.....
	: Philadelphia	Install Diesel Generators	1,177,000	.....	.....
	: Philadelphia	Modernize Ward 5 West	1,259,000	.....	.....
	: Philadelphia	Modernize Ward 6 South	1,266,000	.....	.....
	: Pittsburgh (UD)	Dead Corridor, Pat. Prv. & Bthrms.	1,656,000	.....	.....
	: Pittsburgh (UD)	Radiation Therapy Suite (UD)	1,402,800	.....	.....
	: Pittsburgh	Add. Smoke Dampers, Sprinklers	1,709,800	.....	.....
Rhode Island	: Providence	Renovate Ward 4A	1,600,000	.....	.....
South Carolina	: Columbia	Vertical Extension, 4th Flr., S.	1,736,000	.....	.....
South Dakota	: Hot Springs	Renovate E Wing B-12, Grnd. & 1st Flr.	1,553,000	.....	.....
Texas	: Austin (DPC)	Fire Protection System	1,239,000	.....	.....
	: Dallas	MRI Facility	1,593,000	.....	.....
	: Temple	Main Kitchen Renovation	1,635,000	.....	.....
	: Waco	Renovate Buildings 91 and 92	11,624,000	.....	.....
	: Waco	Renovate Bldgs. 91 & 92 (PH 1)	1,000,000	.....	.....
Utah	: Salt Lake City	Patient Privacy, Building 3	1,594,000	.....	.....
Virginia	: Salem	OP Clinic, Nursing Unit (PH 1B)	10,036,000	.....	.....
Washington	: American Lake	New Rehab. Med. Facility	1,752,309	.....	.....
West Virginia	: Clarksburg	Ward Renovation (4A)	1,349,000	.....	.....
	: Huntington	Clinical Improvement Add. (PH 2)	41,051,429	.....	.....
	: Martinsburg	Water Treatment Plant (Comp. Items)	1,456,000	.....	.....
Wisconsin	: Madison	Central Air Conditioning	11,500,000	.....	.....
	: Milwaukee	Fire and Safety Improvements	6,483,000	.....	.....
Wyoming	: Sheridan	Outpatient Clinic Addition	9,108,000	.....	.....
Projects under \$1,000,000, Total		192 Projects	72,126,052	.....	.....

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.² Construction anticipated, issued, or awarded, including contingencies.³ Based on general construction only.⁴ Same as value of construction issued or awarded when project is physically and/or financially complete.

**National Cemetery Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

<i>Location</i>	<i>Number of Projects</i>	<i>Description</i>	<i>Estimated Construction Cost²</i>	<i>Value of Work In Place</i>	<i>Percent Com- plete³</i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total	91		\$45,556,766	\$19,203,112	42	
A. Projects completed, Total	31		18,333,557	18,333,557	100	
Alabama : Mobile National		Asbestos Removal in Buildings	7,000	7,000	100	August 1988 (C)
Arkansas : Ft. Smith National		Asbestos Removal—Lodge	3,900	3,900	100	November 1987 (C)
California : Golden Gate National ..		Flagpole Replacement	74,470	74,470	100	March 1988 (C)
: Los Angeles National ...		Maintenance Building Add. & Renovation	97,400	97,400	100	June 1988 (C)
: Riverside National		Dev. 40,000 Gravesites & Add. Facility	4,173,076	4,173,076	100	April 1988 (C)
Colorado : Ft. Logan National		Administration Bldg. & Entrance	1,071,676	1,071,676	100	October 1987 (C)
Florida : Barrancas National		Asbestos Removal in Buildings	14,300	14,300	100	August 1988 (C)
: Florida National		Initial Gravesite Development	5,423,992	5,423,992	100	September 1988 (C)
Illinois : Rock Island National ...		Committal Shelter & Site Work	336,247	336,247	100	October 1987 (C)
Kentucky : Camp Nelson National ..		Asbestos Removal—Lodge	8,400	8,400	100	November 1987 (C)
: Mill Springs National ...		Develop Gravesite	34,270	34,270	100	November 1987 (C)
Louisiana : Alexandria National		Road Repairs	21,035	21,035	100	September 1988 (C)
Maryland : Annapolis National		Repair Wall & Repoint Joints	52,879	52,879	100	June 1988 (C)
: Baltimore National		Replace Heating System Admin. Bldg.	13,995	13,995	100	May 1988 (C)
: Loudon Park National ..		Repair Wall & Iron Picket Fence	246,068	246,068	100	December 1987 (C)
Massachusetts : Massachusetts National.		Relocate Drinking Water Well	18,750	18,750	100	February 1988 (C)
Minnesota : Ft. Snelling National		Administration & Service Bldg.	3,319,005	3,319,005	100	March 1988 (C)
New York : Bath National		Construct Admin/Service Building	537,312	537,312	100	November 1987 (C)
: Cypress Hills National ..		Asbestos Removal & Demolish Lodge	14,778	14,778	100	December 1987 (C)
N. Carolina : New Bern National		Asbestos Removal—Lodge	7,000	7,000	100	October 1987 (C)
Oregon : Willamette National		Add Svc Bldg, Restroom, 2 Comm. Shltr.	404,963	404,963	100	May 1988 (C)
Pennsylvania : Indiantown Gap National		Main Entrance Gate, Underpass & Drive	852,909	852,909	100	April 1988 (C)
Tennessee : Knoxville National		Replace Flagpole	19,290	19,290	100	August 1988 (C)
Texas : Ft. Bliss National		Automatic Irrigation Sys. 40 Acres	194,239	194,239	100	June 1988 (C)
: Ft. Bliss National		Handicapped Ramp Admin. Building	36,384	36,384	100	May 1988 (C)
: Ft. Sam Houston National		Install Storm Sewer & French Drain	109,055	109,055	100	August 1988 (C)
: San Antonio National ...		Repair & Slurry Seal Roads	44,519	44,519	100	September 1988 (C)
Virginia : Culpeper National		Asbestos Removal—Lodge & Office	6,235	6,235	100	December 1987 (C)
: Danville National		Asbestos Removal—Lodge	5,900	5,900	100	October 1987 (C)
: Winchester National		Asbestos Removal—SVC/Lodge	7,380	7,380	100	November 1987 (C)
West Virginia : West Virginia National ..		Gravesite Dev. & Add. Facilities	1,177,130	1,177,130	100	March 1988 (C)
B. Projects under construction, Total	25		6,884,160	869,555	13	
Projects \$1,000,000 & over, Total	3		4,515,173	251,193	6	
Hawaii : National Memorial		Overlook, Admn. Bldg, Veh ST/Util Bldg.	1,876,740	.....	...	August 1988 (A)
New York : Long Island National ...		Grounds Renovation	1,247,450	135,308	11	October 1987 (A)
Tennessee : Chattanooga National ..		Administration Bldg. & RD Relocation	1,390,983	115,885	8	July 1988 (A)
Projects under \$1,000,000, Total	22		2,368,987	618,362	26	
C. Projects authorized—not under Construction, Total	35		20,339,049			
Projects \$1,000,000 & over, Total	4		13,809,000			
Colorado : Ft. Logan National		New Service Building Complex	1,741,000			
California : Northern California Nat. .		New National Cemetery Phase 1	9,157,000			
Kansas : Leavenworth National ..		Roads, Drainage, Gravesites	1,711,000			
Wisconsin : Wood National		Administration/Service Building	1,200,000			
Projects under \$1,000,000, Total	31		6,530,049			

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, or awarded, including contingencies.

³ Based on general construction only.

TABLE 45

CONSTRUCTION

**Domiciliary Construction Projects,¹ Fiscal Year 1988
Completions and Year-End Status**

<i>Location</i>	<i>Projects</i>	<i>Number of Beds</i>	<i>Estimated Construction Cost²</i>	<i>Value of Work in Place</i>	<i>Percent Complete³</i>	<i>Date Construction Completed (C) or Contract Awarded (A)</i>
Total	4	1,108	\$39,727,885	\$12,453,709	31	
A. Projects completed, Total .....	...				
B. Projects under construction, Total ...	4	1,108	39,727,885	12,453,709	31	
Arizona : Prescott.		208	9,801,317	.....	...	August 1988 (A)
California : West Los Angeles		300	10,536,176	1,874,081	18	September 1987 (A)
Texas : Temple		408	13,919,201	8,699,048	62	September 1986 (A)
Wisconsin : Milwaukee		192	5,471,191	1,880,580	34	August 1987 (A)
C. Projects authorized—not under construction, Total .....	...				

¹ Projects included when approved for development by the Administrator or when there has been an appropriation of funds available for financing all or part of the project.

² Construction anticipated, issued, or awarded, including contingencies.

³ Based on general construction only.

National Cemeteries—Location, Interments, and Status of Gravesites
September 30, 1988

National Cemetery	FY 1988 Interments	Gravesites			Available Sites		Close-out Date (Fiscal Year) ⁴
		Used Cumulative ¹	Reserved	Set-Aside (Adjacent)	Cremain ²	Casket ³	
Total	56,216	1,728,032	56,844	42,804	48,496	286,603	
Alexandria, LA	136	6,986	137	.....	41	518	1993
Alexandria, VA	4	4,065	23	.....	73	.....	Closed
Alton, IL	1	505	33	.....	7	6	Closed
Annapolis, MD	2	2,930	25	.....	.....	1	Closed
Balls Bluff, VA .....	.....	25	.....	.....	.....	.....	Closed
Baltimore, MD	325	34,849	2,663	.....	634	1	Closed
Barrancas, FL	697	16,565	522	1,238	362	126	2001
Bath, NY	182	9,813	.....	.....	55	3,397	2010
Baton Rouge, LA	10	5,039	40	.....	3	1	Closed
Bay Pines, FL	595	7,958	.....	1,084	1,991	7	Closed
Beaufort, SC	214	12,663	156	.....	79	3,907	2013
Beverly, NJ	366	37,862	3,212	.....	434	.....	Closed
Biloxi, MS	405	4,874	496	628	222	1,028	1992
Black Hills, SD	422	8,602	393	.....	384	8,189	2030+
Calverton, NY	6,948	62,127	.....	22,110	4,851	24,548	2030+
Camp Butler, IL	353	10,408	249	.....	192	5,478	2013
Camp Nelson, KY	172	7,196	59	.....	222	1,797	2015
Cave Hill, KY .....	.....	5,635	3	.....	12	18	Closed
Chattanooga, TN	584	26,988	456	.....	20	13,935	2021
City Point, VA	7	5,513	72	.....	.....	.....	Closed
Cold Harbor, VA .....	.....	971	.....	.....	.....	.....	Closed
Corinth, MS	26	6,419	17	.....	39	7,039	2030+
Crown Hill, IN .....	.....	795	.....	.....	.....	.....	Closed
Culpeper, VA	151	5,906	12	.....	26	2,751	2016
Cypress Hills, NY	27	18,574	53	.....	48	28	Closed
Danville, IL	163	6,983	.....	.....	256	8,033	2030+
Danville, KY .....	.....	393	1	.....	9	2	Closed
Danville, VA	2	2,156	24	.....	27	.....	Closed
Dayton, OH	583	28,693	1	.....	50	4,535	1998
Eagle Point, OR	310	3,100	.....	.....	167	902	2030+
Fayetteville, AR	119	4,045	78	.....	33	160	1991
Finn's Point, NJ	5	2,709	2	.....	145	.....	Closed
Florence, SC	136	5,162	56	.....	8	995	1998
Florida, FL	457	444	.....	.....	.....	939	2030+
Fort Bayard, NM	62	2,153	.....	.....	37	2,466	2030+
Fort Bliss, TX	930	20,530	1,064	.....	62	12,827	2006
Fort Custer, MI	648	2,868	22	812	384	6,492	2030+
Fort Gibson, OK	277	9,256	102	.....	199	978	2008
Fort Harrison, VA	3	1,109	2	.....	.....	.....	Closed
Fort Leavenworth, KS ⁵ .....	.....	.....	.....	.....	.....	.....	Closed
Fort Logan, CO	1,903	35,665	623	.....	1,963	3,357	2030+
Fort Lyon, CO	52	1,150	.....	.....	.....	1,005	2030+
Fort McPherson, NE	175	4,381	61	.....	396	1,157	2017
Fort Meade, SD .....	.....	188	.....	.....	.....	.....	Closed
Fort Mitchell, AL	177	239	.....	.....	19	5,841	2030+
Fort Richardson, AK	110	1,694	.....	.....	248	1,032	2030+
Fort Rosecrans, CA	1,209	48,394	1,904	.....	56	.....	Closed
Fort Sam Houston, TX	2,429	51,433	2,707	.....	.....	8,300	1996
Fort Scott, KS	96	3,337	76	109	12	2,198	2017
Fort Smith, AR	217	6,706	183	.....	9	1,786	2000
Fort Snelling, MN	3,575	90,587	11,300	4,458	2,652	6,891	2030+
Glendale, VA	7	1,301	.....	.....	.....	.....	Closed
Golden Gate, CA	1,591	102,402	6,972	.....	1,141	10	Closed
Grafton, WV .....	.....	2,086	45	.....	.....	.....	Closed
Hampton, (VAC) VA .....	.....	22	.....	.....	.....	.....	Closed
Hampton, VA	452	22,434	420	683	77	1,950	1992
Hot Springs, SD .....	.....	1,481	.....	.....	.....	1	Closed
Houston, TX	1,608	21,547	29	.....	328	7,994	2030+
Indiantown Gap, PA	757	3,636	.....	.....	913	8,088	2030+
Jefferson Barracks, MO	2,999	79,718	1,787	.....	301	4,908	2015
Jefferson City, MO	9	1,589	47	.....	20	.....	Closed
Keokuk, IA	80	2,914	56	.....	31	2,423	2030+
Kerrville, TX .....	.....	460	.....	.....	.....	.....	Closed
Knoxville, TN	151	7,869	178	.....	115	119	1989

See footnotes at end of table.

TABLE 46—Continued

NATIONAL CEMETERY SYSTEM

National Cemeteries—Location, Interments, and Status of Gravesites
September 30, 1988

National Cemetery	FY 1988 Interments	Gravesites			Available Sites		Close-out Date (Fiscal Year) ⁴
		Used Cumulative ¹	Reserved	Set-Aside (Adjacent)	Cremain ²	Casket ³	
Leavenworth, KS	792	36,236	488	.....	2,807	2,548	2030+
Lebanon, KY	29	2,195	26	.....	52	1,010	2030+
Lexington, KY	1	1,389	.....	.....	.....	.....	Closed
Little Rock, AR	402	18,289	268	.....	7	82	1989
Long Island, NY	2,718	236,414	11,567	.....	5,766	36	Closed
Los Angeles, CA	691	72,972	2	.....	2,042	3	Closed
Loudon Park, MD	6	6,494	5	.....	132	.....	Closed
Marietta, GA	92	16,667	339	.....	151	.....	Closed
Marion, IN	138	5,396	.....	.....	2	938	2030+
Massachusetts, MA	1,213	6,948	.....	2,892	1,160	16,812	2030+
Memphis, TN	821	33,773	498	.....	453	2,098	1992
Mill Springs, KY	42	1,958	27	.....	108	362	1999
Mobile, AL	8	3,630	222	.....	5	7	Closed
Mound City, IL	47	7,033	57	.....	24	1,196	2025
Mountain Home, TN	209	7,311	.....	.....	84	2,543	2030+
Nashville, TN	541	28,598	338	1,153	283	3,782	1997
Natchez, MS	71	5,289	43	.....	45	192	1992
National Memorial Cemetery of the Pacific, HI	905	31,975	619	.....	4,932	1,440	1992
New Albany, IN	42	5,080	128	.....	170	716	2007
New Bern, NC	116	6,140	87	.....	107	515	1994
Philadelphia, PA	20	10,373	35	.....	13	22	Closed
Port Hudson, LA	219	7,464	28	.....	9	435	1991
Prescott, AZ	8	2,966	.....	.....	.....	.....	Closed
Puerto Rico, PR	1,013	17,924	1,158	.....	31	13,959	2030+
Quantico, VA	635	3,148	.....	.....	3,487	37,982	2030+
Quincy, IL	13	515	1	.....	13	64	1994
Raleigh, NC	169	4,745	75	135	100	297	1991
Richmond, VA	19	7,305	180	.....	.....	5	Closed
Riverside, CA	5,613	42,465	.....	6,555	3,638	3,414	2030+
Rock Island, IL	431	13,178	196	947	387	2,456	1995
Roseburg, OR	7	2,380	.....	.....	.....	.....	Closed
St. Augustine, FL	11	1,196	16	.....	11	.....	Closed
Salisbury, NC	181	15,274	57	.....	111	413	1999
San Antonio, TX	2	3,009	27	.....	23	291	Closed
San Francisco, CA	433	24,748	570	.....	724	19	Closed
Santa Fe, NM	919	17,208	364	.....	561	3,159	1994
Seven Pines, VA	2	1,135	.....	.....	.....	.....	Closed
Sitka, AK	18	732	1	.....	.....	1,311	2030+
Springfield, MO	310	9,034	177	.....	128	1,986	1999
Staunton, VA .....	.....	843	5	.....	9	2	Closed
Togus, ME .....	.....	5,371	.....	.....	.....	.....	Closed
West Virginia, WV	70	74	.....	.....	.....	2,632	2030+
Willamette, OR	2,775	66,100	1,761	.....	1,220	7,746	1998
Wilmington, NC	40	5,016	57	.....	39	.....	Closed
Winchester, VA	8	5,073	33	.....	85	1	Closed
Wood, WI	948	26,501	1	.....	119	7,810	1999
Woodlawn, NY	38	6,345	195	.....	2	93	2002
Zachary Taylor, KY	511	10,021	832	.....	103	62	1989

¹ Includes all types of gravesites including columbaria niches.² In-ground sites suitable for cremated remains and columbaria niches.³ Gravesites available excluding reserved and adjacent set-aside.⁴ Cemeteries indicated as "closed" may continue to inter eligible family members in already occupied gravesites, previously reserved gravesites, and in gravesites suitable for cremated remains.⁵ Data combined with Leavenworth National Cemetery.

COMPENSATION AND PENSION

TABLE 47

Disability, Death: Number of Cases, Expenditures by Period of Service

Period of Service	Number of Cases as of Sept. 30, 1988	Total Expenditures ¹ (In thousands) Fiscal Year 1988	Estimated Average Annual Expenditure Per Case ²	
			Fiscal Year 1988	Fiscal Year 1987
Grand Total	3,725,039	\$14,711,285	\$3,949	\$3,741
Living veterans	2,804,426	11,224,850	4,003	3,821
Service-connected	2,198,857	8,721,951	3,967	3,808
Retired emergency officers	39	374	9,581	9,546
Nonservice-connected	605,527	2,502,525	4,133	3,865
Special acts	3	(⁴)	152	144
Deceased veterans	920,613	3,486,435	3,787	3,504
Service-connected	325,246	2,162,499	6,649	6,296
Nonservice-connected	595,363	1,323,935	2,224	2,066
Special acts	4	1	246	273 ⁵
Prior periods ³	4,947	11,014	2,226	2,068
Living veterans	60	549	9,149	5,420
Service-connected	1	12	12,152	.....
Nonservice-connected	59	537	9,098	5,420
Deceased veterans	4,887	10,466	2,142	2,025
Service-connected	57	390	6,842	6,798
Nonservice-connected	4,828	10,075	2,087	1,969
Special acts	2	(⁴)	240	294 ⁵
World War I	260,585	778,176	2,986	2,817
Living veterans	32,044	184,541	5,759	5,243
Service-connected	6,106	30,230	4,951	4,808
Retired emergency officers	39	374	9,581	9,546
Nonservice-connected	25,899	153,938	5,944	5,338
Deceased veterans	228,541	593,635	2,597	2,415
Service-connected	17,162	116,401	6,782	6,615
Nonservice-connected	211,379	477,234	2,258	2,081
World War II	1,869,237	6,961,542	3,724	3,513
Living veterans	1,407,216	5,380,301	3,823	3,621
Service-connected	946,767	3,659,437	3,865	3,680
Nonservice-connected	460,449	1,720,864	3,737	3,502
Deceased veterans	462,021	1,581,241	3,422	3,182
Service-connected	145,588	906,174	6,224	5,819
Nonservice-connected	316,433	675,067	2,133	2,007
Korean Conflict	391,562	1,808,421	4,618	4,389
Living veterans	306,538	1,427,959	4,658	4,457
Service-connected	214,981	961,511	4,473	4,319
Nonservice-connected	91,557	466,447	5,095	4,789
Deceased veterans	85,024	380,463	4,475	4,147
Service-connected	37,920	249,791	6,587	6,226
Nonservice-connected	47,104	130,672	2,774	2,512
Peacetime	449,282	1,807,651	4,023	3,965
Living veterans	397,937	1,437,890	3,613	3,563
Service-connected	397,934	1,437,890	3,613	3,564
Special acts	3	(⁴)	152	144
Deceased veterans	51,345	369,761	7,202	6,937
Service-connected	51,343	369,761	7,202	6,937
Special acts	2	1	252	252
Vietnam era	749,426	3,344,480	4,463	4,244
Living veterans	660,631	2,793,610	4,229	4,029
Service-connected	633,068	2,632,871	4,159	3,968
Nonservice-connected	27,563	160,739	5,832	5,521
Deceased veterans	88,795	550,869	6,204	5,818
Service-connected	73,176	519,983	7,106	6,771
Nonservice-connected	15,619	30,886	1,977	1,800

¹ Totals may not add due to rounding.² Averages based on unrounded expenditures for veterans on the rolls at the end of the fiscal year.³ Includes Spanish-American War, Mexican Border Service, Indian Wars, and the Civil War periods.⁴ Less than \$1,000.⁵ Data revised from FY 1987 Annual Report.

TABLE 48

COMPENSATION AND PENSION

Disability Cases: By Age Group, by Period of Service—September 1988

Age Group	All Periods ¹			World War I and Earlier ¹			World War II		
	Total ^{2,3}	Service-Connected	Non-Service-Connected	Total ²	Service-Connected	Non-Service-Connected	Total	Service-Connected	Non-Service-Connected
Median Age ..	63	61	67	93	92	93	68	68	68
Total veterans ..	2,804,426	2,198,857	605,527	32,065	6,107	25,958	1,407,216	946,767	460,449
Under 20	121	121	.....	.....	.....	.....	.....	.....	.....
20 to 24	11,762	11,762	.....	.....	.....	.....	.....	.....	.....
25 to 29	42,159	42,159	.....	.....	.....	.....	.....	.....	.....
30 to 34	84,969	82,944	2,025	.....	.....	.....	.....	.....	.....
35 to 39	169,004	161,342	7,662	.....	.....	.....	.....	.....	.....
40 to 44	265,972	254,205	11,767	.....	.....	.....	.....	.....	.....
45 to 49	143,856	138,709	5,147	.....	.....	.....	.....	.....	.....
50 to 54	157,720	143,067	14,653	.....	.....	.....	.....	.....	.....
55 to 59	280,754	219,626	61,128	.....	.....	.....	5,571	2,009	3,562
60 to 64	423,364	307,272	116,092	.....	.....	.....	308,135	209,872	98,263
Under 65	1,579,681	1,361,207	218,474	.....	.....	.....	313,706	211,881	101,825
65 to 69	602,599	440,421	162,178	.....	.....	.....	548,778	388,201	160,577
70 to 74	352,548	253,549	98,999	.....	.....	.....	322,841	224,439	98,402
75 to 79	161,050	99,061	61,988	.....	.....	.....	150,946	89,154	61,792
80 to 84	61,671	32,245	29,425	18	1	17	57,916	28,563	29,353
85 to 89	15,680	5,910	9,769	3,421	917	2,504	10,851	3,599	7,252
90 to 94	24,164	5,214	18,921	22,000	4,203	17,797	1,865	743	1,122
95 and over	7,033	1,250	5,773	6,626	986	5,640	313	187	126
65 and over	1,224,745	837,650	387,053	32,065	6,107	25,958	1,093,510	734,886	358,624

Age Group	Korean Conflict			Vietnam Era			Peacetime Service-Connected ³
	Total	Service-Connected	Non-Service-Connected	Total	Service-Connected	Non-Service-Connected	
Median Age	58	58	57	42	42	41	47
Total veterans	306,538	214,981	91,557	660,631	633,068	27,563	397,934
Under 20 .....	.....	.....	.....	.....	.....	.....	121
20 to 24 .....	.....	.....	.....	.....	.....	.....	11,762
25 to 29 .....	.....	.....	.....	9	9	.....	42,150
30 to 34 .....	.....	.....	.....	23,607	21,582	2,025	61,362
35 to 39 .....	.....	.....	.....	142,240	134,578	7,662	26,764
40 to 44 .....	.....	.....	.....	241,180	229,413	11,767	24,792
45 to 49	49	15	34	80,883	75,770	5,113	62,924
50 to 54	30,323	16,450	13,873	54,164	53,384	780	73,233
55 to 59	180,779	123,350	57,429	56,266	56,129	137	38,138
60 to 64	62,998	45,214	17,784	30,881	30,836	45	21,350
Under 65	274,149	185,029	89,120	629,230	601,701	27,529	362,596
65 to 69	17,637	16,057	1,580	20,202	20,181	21	15,982
70 to 74	9,270	8,681	589	9,039	9,031	8	11,398
75 to 79	3,639	3,444	195	1,820	1,819	1	4,644
80 to 84	1,330	1,277	53	302	300	4	2,104
85 to 89	375	363	12	38	36	.....	997
90 to 94	99	97	2	.....	.....	.....	169
95 and over	39	33	6	.....	.....	.....	44
65 and over	32,389	29,952	2,437	31,401	31,367	34	35,338

¹ Includes 1 service-connected and 59 nonservice-connected Mexican Border veterans.² Includes 39 Retired Emergency Officers.³ Includes 3 Special Acts.

Reasons for Terminations of Disability and Death Awards, By Period of Service—Fiscal Year 1988

Reasons for Terminations	Grand Total	Total		World War I and Earlier ¹		World War II		Korean Conflict		Vietnam Era		Peacetime Service-Connected
		Service-Connected	Non-service-Connected	Service-Connected	Non-service-Connected	Service-Connected	Non-service-Connected	Service-Connected	Non-service-Connected	Service-Connected	Non-service-Connected	
Disability, total	168,751	74,607	94,144	1,703	13,163	37,366	73,322	4,631	6,463	10,314	1,196	20,593
Death of a veteran	109,452	52,328	57,124	1,636	10,409	36,245	43,507	4,300	2,994	5,231	214	4,916
Disability less than 10 percent	750	750	.....	.....	.....	17	.....	10	.....	165	.....	558
Disability less than permanent and total	140	.....	140	.....	.....	.....	35	.....	35	.....	70	.....
Estate in excess of \$1,500	37	23	14	2	.....	7	14	2	.....	8	.....	4
Excessive corpus of estate	513	.....	513	.....	98	.....	374	.....	38	.....	3	.....
Failure to cooperate	1,843	1,042	801	2	109	8	577	9	86	257	29	766
Income provisions	25,876	.....	25,876	.....	1,415	.....	21,552	.....	2,318	.....	591	.....
Person entitled is incarcerated	134	11	123	.....	.....	2	87	1	36	3	.....	5
Veterans on active duty or in receipt of retirement pay	4,068	4,068	.....	.....	.....	24	.....	26	.....	1,153	.....	2,865
Failure to return questionnaire	4,650	.....	4,650	.....	466	.....	3,601	.....	503	.....	80	.....
Miscellaneous ²	21,288	16,385	4,903	63	666	1,063	3,575	283	453	3,497	209	11,479
Death, total	118,002	23,351	94,651	1,708	38,383	8,699	38,994	2,310	9,692	7,624	7,582	3,010
Death of payee	45,149	11,670	33,479	1,551	23,352	6,568	9,768	1,352	301	973	58	1,226
Dependency not established or discontinued	19,105	5,026	14,079	5	57	333	5,981	301	4,821	3,682	3,220	705
Excessive corpus of estate	631	159	472	.....	321	112	141	40	7	.....	3	7
Income provisions	30,430	494	29,936	.....	7,872	79	15,900	46	3,070	261	3,094	108
Payee incarcerated	61	.....	61	.....	10	.....	25	.....	.....	.....	26	.....
Person entitled (surviving spouse, child, parent) married	3,414	1,326	2,088	6	147	273	1,272	113	313	567	356	367
Failure to return questionnaire	9,613	1,187	8,426	2	4,063	554	3,239	164	619	307	505	160
Miscellaneous ²	9,599	3,489	6,110	144	2,561	780	2,668	294	561	1,834	320	437

¹ Includes all wartime periods prior to World War I. Disability includes 9 nonservice-connected veterans. Death includes 8 service-connected and 449 nonservice-connected veterans.² Includes temporary terminations.

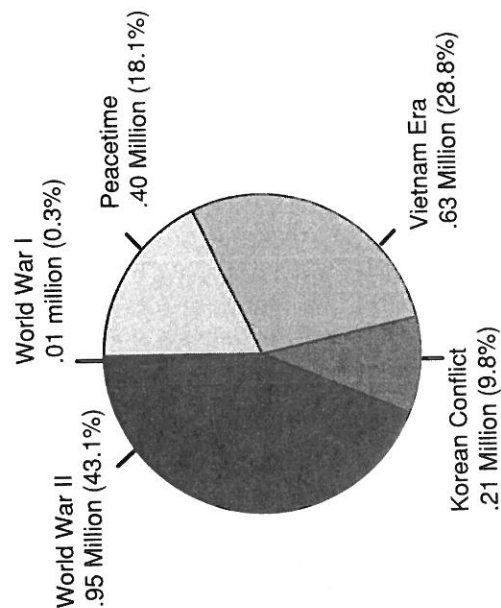
Disability: Class of Dependent, Period of Service—September 1988

Class of Dependent	Total		World War I and Earlier ¹		World War II		Korean Conflict		Vietnam Era		Peacetime	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total veterans	2,198,857	\$719,177,231	6,107	\$2,439,575	946,767	\$298,761,991	214,981	\$80,068,625	633,068	\$218,353,855	397,934	\$119,553,185
Veterans less than 30 percent disabled (no dependency benefit)	1,251,045	111,055,449	2,969	367,527	525,280	46,035,991	114,977	10,219,356	352,569	31,813,327	255,250	22,619,248
Veterans 30 percent or more disabled	947,812	608,121,782	3,138	2,072,048	421,487	252,726,000	100,004	69,849,269	280,499	186,540,528	142,684	96,933,937
Without dependents	263,150	155,793,442	1,629	1,034,597	120,705	65,693,203	28,007	18,031,939	64,237	39,482,437	48,572	31,551,266
With dependents	684,662	452,328,340	1,509	1,037,451	300,782	187,032,797	71,997	51,817,330	216,262	147,058,091	94,112	65,382,671
Spouse only	472,174	302,922,748	1,486	1,021,229	283,219	174,419,572	57,455	40,892,242	80,563	51,981,379	49,451	34,608,326
Spouse, child or children	175,482	120,158,979	14	9,171	14,285	9,883,279	11,938	8,530,635	112,797	77,397,241	36,448	24,338,653
Spouse, child or children, and parent or parents	1,479	1,815,967	.....	.....	122	118,498	104	140,079	1,001	1,254,597	252	302,793
Spouse, parent or parents	1,074	1,211,286	.....	.....	402	403,048	279	351,489	239	270,993	154	185,756
Child or children only	30,872	21,532,369	9	7,051	2,138	1,456,473	1,680	1,153,295	20,081	14,111,072	6,964	4,804,478
Child or children and parent or parents	432	514,906	.....	.....	18	18,722	25	30,022	311	360,963	78	105,199
Parent or parents only	3,149	4,172,085	.....	.....	598	733,205	516	719,588	1,270	1,681,846	765	1,037,466
Total dependents on whose account additional compensation was being paid	1,045,053	.....	1,526	.....	320,766	.....	90,028	.....	468,151	.....	164,582	.....
Spouses	650,209	.....	1,500	.....	298,028	.....	69,776	.....	194,600	.....	86,305	.....
Children	387,932	.....	26	.....	21,571	.....	19,257	.....	270,214	.....	76,864	.....
Parents	6,912	.....	.....	.....	1,167	.....	995	.....	3,337	.....	1,413	.....

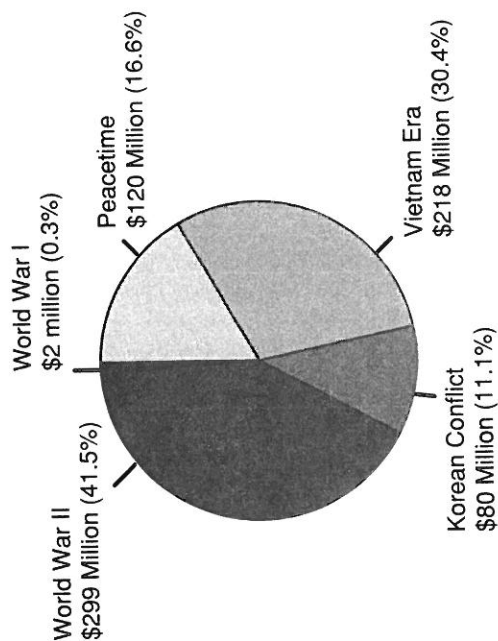
¹ Includes 1 Mexican Border service-connected veteran.

NOTE: All Numbers and Monthly Values are as of September 1988. Includes special monthly compensation, where applicable.

Veterans Receiving Compensation By Period of Service September 1988



Monthly Value of Compensation Payments By Period of Service September 1988



COMPENSATION

TABLE 51

Death: Class of Beneficiary, Period of Service—September 1988

Class of Beneficiary	All Periods		World War I and Earlier ¹		World War II	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total cases	325,246	\$181,027,118	17,219	\$9,705,099	145,588	\$77,103,167
Compensation	19,021	1,547,077	7	597	13,092	1,078,365
Dependency and indemnity compensation	305,166	178,793,667	17,212	9,704,502	131,786	75,568,710
Dependency and indemnity compensation and compensation	1,059	686,374	.....	.....	710	456,092
Surviving spouse alone	245,651	152,230,388	16,445	9,293,147	118,539	69,711,469
Surviving spouse and children	18,451	13,644,411	204	171,411	2,343	1,810,717
Surviving spouse, children, and mother	657	566,180	.....	.....	19	19,649
Surviving spouse, children, and father	70	59,390	.....	.....	3	2,613
Surviving spouse, children, mother, and father	145	129,364	.....	.....	1	1,046
Surviving spouse and mother	4,350	3,316,867	.....	.....	1,376	1,053,946
Surviving spouse and father	394	291,714	.....	.....	124	93,964
Surviving spouse, mother, and father	359	267,959	.....	.....	41	33,543
Children alone	10,133	3,427,619	552	234,134	1,498	597,402
Children and mother	447	206,588	.....	.....	19	11,457
Children and father	41	19,872	.....	.....	.....	.....
Children, mother, and father	67	31,129	.....	.....	.....	.....
Mother alone	38,003	5,809,529	18	6,407	19,478	3,325,277
Father alone	3,336	541,953	.....	.....	1,576	320,334
Mother and father	3,142	484,155	.....	.....	571	121,750
Total survivors	367,169	.....	17,464	.....	150,722	.....
Surviving spouses	270,055	.....	16,649	.....	122,429	.....
Children	42,389	.....	797	.....	4,472	.....
Mothers	47,170	.....	18	.....	21,505	.....
Fathers	7,555	.....	.....	.....	2,316	.....

Class of Beneficiary	Korean Conflict		Vietnam Era		Peacetime	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total cases	37,920	\$20,722,827	73,176	\$42,761,786	51,343	\$30,734,239
Compensation	4,995	395,607	2	150	925	72,358
Dependency and indemnity compensation	32,647	20,147,120	73,166	42,756,007	50,355	30,617,328
Dependency and indemnity compensation and compensation	278	180,100	8	5,629	63	44,553
Surviving spouse alone	27,815	18,278,556	46,581	31,154,594	36,271	23,792,622
Surviving spouse and children	1,087	808,383	9,046	6,646,962	5,771	4,206,938
Surviving spouse, children, and mother	8	6,607	350	297,982	280	241,942
Surviving spouse, children, and father	2	1,524	38	32,905	27	22,348
Surviving spouse, children, mother, and father	1	759	84	75,126	59	52,433
Surviving spouse and mother	508	379,197	1,756	1,337,189	710	546,535
Surviving spouse and father	39	28,199	173	125,794	58	43,757
Surviving spouse, mother, and father	24	17,121	227	166,742	67	50,553
Children alone	463	170,985	4,672	1,450,595	2,948	974,503
Children and mother	10	5,475	266	118,419	152	71,237
Children and father .....	.....	.....	21	10,581	20	9,291
Children, mother, and father	1	496	38	16,543	28	14,090
Mother alone	6,821	879,590	7,616	1,020,685	4,070	577,570
Father alone	614	77,137	768	91,803	378	52,679
Mother and father	527	68,798	1,540	215,866	504	77,741
Total survivors	40,481	.....	94,134	.....	64,368	.....
Surviving spouses	29,483	.....	58,254	.....	43,240	.....
Children	1,890	.....	21,113	.....	14,117	.....
Mothers	7,900	.....	11,877	.....	5,870	.....
Fathers	1,208	.....	2,890	.....	1,141	.....

¹ Includes 57 from the Spanish-American War, Mexican Border Service, and Civil War periods.

NOTE: All Numbers and Monthly Values are as of September 1988.

TABLE 52

COMPENSATION

Disability, Degree of Impairment, Type of Major Disability, Period of Service—September 1988

Degree of Impairment	Total		Psychiatric and Neurological Diseases		General Medical and Surgical Conditions ¹	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total All Periods	2,198,857	\$719,177,231	436,556	\$257,115,207	1,762,301	\$462,062,024
Zero percent (statutory award)	22,795	1,523,271	.....	.....	22,795	1,523,271
10 percent	874,959	62,446,492	123,486	8,776,614	751,473	53,669,878
20 percent	351,832	46,973,568	23,945	3,196,163	327,887	43,777,405
30 percent	306,002	68,833,697	72,847	16,277,055	233,155	52,556,642
40 percent	180,802	59,005,423	26,153	8,466,965	154,649	50,538,458
50 percent	108,064	49,620,448	40,474	18,346,700	67,590	31,273,748
60 percent	109,983	88,985,402	18,692	13,353,131	91,291	75,632,271
70 percent	63,145	60,745,768	24,735	22,579,535	38,410	38,166,233
80 percent	35,845	40,368,791	9,818	11,294,133	26,027	29,074,658
90 percent	14,223	17,958,525	3,951	5,120,700	10,272	12,837,825
100 percent	131,207	222,715,846	92,455	149,704,211	38,752	73,011,635
World War I ²	6,107	2,439,575	1,101	693,661	5,006	1,745,914
Zero percent (statutory award)	77	5,011	.....	.....	77	5,011
10 percent	1,308	109,899	104	9,159	1,204	100,740
20 percent	1,579	252,157	189	32,010	1,390	220,147
30 percent	894	202,843	152	35,224	742	167,619
40 percent	540	176,891	89	29,884	451	147,007
50 percent	387	177,429	151	70,225	236	107,204
60 percent	420	350,675	52	34,396	368	316,279
70 percent	203	190,388	58	46,791	145	143,597
80 percent	161	167,608	34	31,424	127	136,184
90 percent	35	41,189	1	849	34	40,340
100 percent	503	765,485	271	403,699	232	361,786
World War II	946,767	298,761,991	214,288	106,506,129	732,479	192,255,862
Zero percent (statutory award)	12,519	837,827	.....	.....	12,519	837,827
10 percent	372,594	26,535,965	71,339	5,069,021	301,255	21,466,944
20 percent	139,674	18,620,811	11,272	1,500,663	128,402	17,120,148
30 percent	140,561	30,806,015	39,265	8,589,600	101,296	22,216,415
40 percent	80,150	25,463,422	13,109	4,130,238	67,041	21,333,184
50 percent	51,005	22,985,324	19,070	8,499,677	31,935	14,485,647
60 percent	52,502	43,542,374	9,037	6,351,171	43,465	37,191,203
70 percent	27,467	27,057,966	10,153	9,938,881	17,314	17,119,085
80 percent	16,973	18,757,573	4,415	5,070,757	12,558	13,686,816
90 percent	6,010	7,426,514	1,413	1,770,222	4,597	5,656,292
100 percent	47,312	76,728,200	35,215	55,585,899	12,097	21,142,301
Korean Conflict	214,981	80,068,625	38,707	29,939,802	176,274	50,128,823
Zero percent (statutory award)	6,446	431,258	.....	.....	6,446	431,258
10 percent	75,317	5,380,189	8,092	575,334	67,225	4,804,855
20 percent	32,803	4,379,118	1,704	227,073	31,099	4,152,045
30 percent	29,453	6,522,228	5,387	1,194,371	24,066	5,327,857
40 percent	18,384	5,948,719	2,156	696,662	16,228	5,252,057
50 percent	10,655	4,866,921	3,275	1,481,150	7,380	3,385,771
60 percent	12,771	10,785,437	2,064	1,531,522	10,707	9,253,915
70 percent	7,263	7,289,625	2,494	2,374,864	4,769	4,914,761
80 percent	4,127	4,778,765	1,092	1,288,435	3,035	3,490,330
90 percent	1,606	2,004,676	457	584,405	1,149	1,420,271
100 percent	16,156	27,681,689	11,986	19,985,986	4,170	7,695,703

See footnotes at end of table.

COMPENSATION

TABLE 52—Continued

Disability, Degree of Impairment, Type of Major Disability, Period of Service—September 1988

Degree of Impairment	Total		Psychiatric and Neurological Diseases		General Medical and Surgical Conditions ¹	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Vietnam Era	633,068	\$218,353,855	115,081	\$76,159,509	517,987	\$142,194,346
Zero percent (statutory award)	898	58,974	.....	.....	898	58,974
10 percent	244,348	17,446,473	26,602	1,890,535	217,746	15,555,938
20 percent	107,111	14,289,193	6,456	860,138	100,655	13,429,055
30 percent	86,175	20,194,905	17,677	4,146,759	68,498	16,048,146
40 percent	55,713	18,833,617	7,144	2,425,887	48,569	16,407,730
50 percent	31,886	15,117,116	11,602	5,443,305	20,284	9,673,811
60 percent	29,489	22,295,033	5,352	3,819,315	24,137	18,475,718
70 percent	20,315	19,052,955	8,194	7,052,247	12,121	12,000,708
80 percent	10,837	12,445,080	3,060	3,531,881	7,777	8,913,199
90 percent	5,038	6,542,182	1,560	2,094,598	3,478	4,447,584
100 percent	41,258	72,078,327	27,434	44,894,844	13,824	27,183,483
Peacetime ³	397,934	119,553,185	67,379	43,816,106	330,555	75,737,079
Zero percent (statutory award)	2,855	190,201	.....	.....	2,855	190,201
10 percent	181,392	12,973,966	17,349	1,232,565	164,043	11,741,401
20 percent	70,665	9,432,289	4,324	576,279	66,341	8,856,010
30 percent	48,919	11,107,706	10,366	2,311,101	38,553	8,796,605
40 percent	26,015	8,582,774	3,655	1,184,294	22,360	7,398,480
50 percent	14,131	6,473,658	6,376	2,852,343	7,755	3,621,315
60 percent	14,801	12,011,883	2,187	1,616,727	12,614	10,395,156
70 percent	7,897	7,154,834	3,836	3,166,752	4,061	3,988,082
80 percent	3,747	4,219,765	1,217	1,371,636	2,530	2,848,129
90 percent	1,534	1,943,964	520	670,626	1,014	1,273,338
100 percent	25,978	45,462,145	17,549	28,833,783	8,429	16,628,362

¹ Includes tuberculosis (lung and pleura).² Excludes Retired Emergency Officers.³ Excludes Special Acts.

NOTE: Includes special monthly compensation, allowance to dependents, unemployables receiving compensation at the 100 percent rate but appearing as less than totally impaired (60%–90%), and other special awards, where applicable.

All Numbers and Monthly Values are as of September 1988.

TABLE 53

PENSION

Disability: Type of Major Disability and Pension by Period of Service—September 1988

Type of Disability and Pension	Total		World War I and Earlier ¹		World War II	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total cases	605,527	\$195,329,470	25,958	\$11,523,587	460,449	\$133,349,637
Type of disability						
Psychiatric and neurological diseases	143,574	56,453,750	3,246	1,996,606	93,766	35,111,756
Psychoses	39,978	14,783,845	220	141,049	20,627	7,443,703
Other psychiatric and neurological diseases	103,596	41,669,905	3,026	1,855,557	73,139	27,668,053
General medical and surgical conditions ²	332,027	107,114,932	17,846	6,973,668	242,557	69,260,434
Considered permanently and totally disabled at age 65	129,926	31,760,788	4,866	2,553,313	124,126	28,977,447
Type of pension						
P.L. 95-588	433,311	171,961,340	15,972	10,179,372	319,883	114,475,664
Sec. 306	168,212	23,035,615	7,746	1,163,700	139,037	18,741,633
Old Law	4,004	332,515	2,240	180,515	1,529	132,340

Type of Disability and Pension	Korean Conflict		Vietnam Era	
	Number	Monthly Value	Number	Monthly Value
Total cases	91,557	\$37,513,147	27,563	\$12,943,099
Type of disability				
Psychiatric and neurological diseases	31,467	12,647,598	15,095	6,697,790
Psychoses	10,810	3,847,597	8,321	3,351,496
Other psychiatric and neurological diseases	20,657	8,800,001	6,774	3,346,294
General medical and surgical conditions ²	59,216	24,652,448	12,408	6,228,382
Considered permanently and totally disabled at age 65	874	213,101	60	16,927
Type of pension				
P.L. 95-588	72,967	34,868,404	24,489	12,437,900
Sec. 306	18,355	2,625,083	3,074	505,199
Old Law	235	19,660	.....	.....

¹ Includes Mexican Border period.² Includes tuberculosis (lungs and pleura).

NOTE: All Numbers and Monthly Values are as of September 1988.

TABLE 54

PENSION

Death: Class of Beneficiary, Period of Service—September 1988

Class of Beneficiary	Total		World War I and Earlier ¹		World War II	
	Number	Monthly Value	Number	Monthly Value	Number	Monthly Value
Total cases	595,363	\$106,622,931	216,207	\$39,089,740	316,433	\$53,921,188
Surviving spouse alone	532,490	99,230,425	204,684	37,870,530	286,751	50,342,163
Surviving spouse and children	23,155	4,702,753	2,891	635,941	12,280	2,428,857
Children alone	39,718	2,689,753	8,632	583,269	17,402	1,150,168
Total dependents	631,191	.....	219,736	.....	332,735	.....
Surviving spouses	555,644	.....	207,575	.....	299,031	.....
Children	75,547	.....	12,161	.....	33,704	.....

Class of Beneficiary	Korean Conflict		Vietnam Era	
	Number	Monthly Value	Number	Monthly Value
Total cases	47,104	\$11,042,782	15,619	\$2,569,221
Surviving spouse alone	36,143	9,657,463	4,912	1,360,269
Surviving spouse and children	4,115	922,615	3,869	715,340
Children alone	6,846	462,704	6,838	493,612
Total dependents	53,765	.....	24,955	.....
Surviving spouses	40,257	.....	8,781	.....
Children	13,508	.....	16,174	.....

¹ Includes 4,828 cases from the Spanish-American War, Mexican Border, Indian Wars, and the Civil War periods.

NOTE: All Numbers and Monthly Values are as of September 1988.

EDUCATIONAL ASSISTANCE

TABLE 55

Persons in Training by Entitlement and Type of Training—Fiscal Year 1988

Program	Total	Institutions of Higher Learning	Resident Schools Other Than College	On-Job Training	Other
Post-Korean Conflict Educational Assistance Program (Title 38, U.S.C., Chapter 34)	202,769	176,177	18,586	4,467	3,539
Educational Assistance for Children of Totally Disabled or Deceased Veterans (Title 38, U.S.C., Chapter 35)	40,871	37,787	2,993	81	10
Educational Assistance for Spouses of Totally Disabled or Deceased Veterans (Title 38, U.S.C., Chapter 35)	4,972	4,344	605	6	17
Vocational Rehabilitation Program for Disabled Veterans (Title 38, U.S.C., Chapter 31)	24,692	9,029	2,517	149	12,997
Post-Vietnam Era Veterans' Educational Assistance Program (Title 38, U.S.C., Chapter 32)	87,486	82,378	5,108	.....	.....
Montgomery GI Bill—Active Duty (Title 38, U.S.C., Chapter 30)	5,599	5,358	241	NA	NA
Montgomery GI Bill—Selected Reserve (Title 10, U.S.C., Chapter 106)	72,846	72,846	.....	.....	.....
Section 901—Educational Assistance Test Program	675	NA	NA	NA	NA
Veterans' Job Training Program	(¹)	NA	NA	NA	NA
Hostage Relief Act	0	NA	NA	NA	NA

¹ Veterans Job Training Program: Veteran Applications—Received 48,823; approved 46,514
NA—Not available. No breakout by type of training is presently available.

HOUSING ASSISTANCE

TABLE 56

Guaranteed or Insured Loans, Direct Loans, and Property Management

Item	Cumulative through Sept. 30, 1988	Fiscal Year	
		1988	1987
Guaranteed or Insured Loans			
Number of loans, total	12,670,865	234,709	479,491
Home	12,559,722	232,638	474,391
Manufactured home	111,143	2,071	5,100
Amount of loans (\$000), total	\$318,021,754	\$17,302,354	\$34,900,051
Home	\$316,008,756	\$17,254,292	\$34,783,518
Manufactured home	\$2,012,998	\$48,062	\$116,533
Amount of guaranty and insurance (\$000), total	\$139,385,137	\$6,172,212	\$12,237,302
Home	\$138,420,385	\$6,148,912	\$12,179,515
Manufactured home	\$964,752	\$23,300	\$57,787
Defaults and claims total ¹ :			
Defaults reported	4,260,466	176,503	182,044
Loans in default—end of period .....	.....	133,600	136,682
Claims pending—end of period .....	.....	5,800	8,230
Defaults disposed of, total	4,121,066	182,015	170,559 ²
Cured or withdrawn	3,494,261	129,357	130,174 ²
Percent	84.8	71.1	76.3 ²
Claims vouchered for payment	626,805	52,658	40,385
Percent of loans outstanding .....	.....	1.30	0.97
Average number of loans outstanding .....	.....	4,063,240	4,148,040
Direct Loans			
Number of loans fully disbursed	333,205	1	1
Amount of loans fully disbursed (\$000)	\$3,437,927	\$33	\$33
Property Management			
Number acquired	653,168	39,430	36,422
Number sold	625,127	40,630	34,181
Number redeemed	6,880	272	175
Number on hand—end of period .....	.....	21,161	22,633

¹ Cumulative data revised to exclude farm and business loans.

² Data revised from FY 1987 Annual Report.

Excludes paid-up additional insurance purchased by dividends.
Amounts are in thousands.

² Amounts are in thousands.

² Amounts are in thousands.

INSURANCE

TABLE 58

Servicemen's and Veterans' Group Life Insurance Statement of Operations (Accrual Basis)

<i>Item</i>	<i>Policy Year Ending June 30, 1988</i>	<i>Cumulative from Sept. 29, 1965</i>
INCOME		
Premiums	\$192,392,995	\$2,895,279,680
Extra hazard payments .....	.....	513,046,301
Interest earned	30,676,261	331,915,458
Total	223,069,256	3,740,241,439
DISPOSITION OF INCOME		
Death claims	222,061,555	3,214,555,897
Net cost of extra mortality on conversions	(-)941,030	45,900,158
Expense of administration	7,055,519	97,746,040
Taxes and fees	4,406,165	60,467,408
Term to age 60 reserve (Retired Reserves)	(-)1,778,198	28,418,216
Five-Year term and conversion cost reserve (VGLI)	4,826,320	43,465,861
Contingency reserve	(-)12,561,075	249,687,859
Total	223,069,256	3,740,241,439

TABLE 59

EMPLOYMENT

Employment: Full-Time, Part-Time, and Intermittent by Facility Type

Facility Type	Sept. 30, 1988	Sept. 30, 1987	Percent Change
Total	245,467	250,013	-1.8
Central Office	4,481	4,514	-0.7
Field	240,986	245,499	-1.8
Medical centers (separate) ¹	195,783	196,600	-0.4
Domiciliaries and medical centers	22,838	23,215	-1.6
Regional offices (separate) ¹	11,183	11,329	-1.3
Regional office and medical centers ¹	5,476	8,373	-34.6
Regional office and insurance centers	1,354	1,367	-1.0
Independent outpatient clinics	1,280	1,358	-5.7
Data processing centers	1,512	1,572	-3.8
National cemeteries	981	1,020	-3.8
Supply depots and marketing center	382	405	-5.7
Miscellaneous ²	197	260	-24.2

¹ San Juan redesignated from a VAM&ROC to a separate VAMC and VARO during FY 1988.

² Includes national cemetery area offices, prosthetic assessment information center, prosthetic distribution center, and VCS finance center.

TABLE 60

EMPLOYMENT

Employment: Full-Time, Part-Time, and Intermittent by Pay System

Pay System	Sept. 30, 1988	Sept. 30, 1987	Percent Change
Total	245,467	250,013	-1.8
GS/GM	137,465	139,594	-1.5
Title 38 (excludes canteen)	65,946	65,585	+0.6
Wage system	37,249	39,627	-6.0
Canteen	3,435	3,488	-1.5
Non-U.S. citizens—Manila	177	184	-3.8
Senior executive service	144	132	+9.1
Others ¹	1,051	1,403	-25.1

¹ Includes stay-in-school, purchase and hire, executive pay, hospital administration residents, and experts/consultants.

TABLE 61

EMPLOYMENT

Employment: Sex and Veteran Preference
September 30, 1988

Veteran Preference	Total		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
Total	245,467	100.0	110,943	100.0	134,524	100.0
With preference ¹	71,980	29.3	64,192	57.9	7,788	5.8
Without preference	173,487	70.7	46,751	42.1	126,736	94.2

¹ Includes mother, spouse, widow, widower of veteran.

EMPLOYMENT

TABLE 62

**Employment: Minority Groups by Grade—Full-Time and Part-Time with Permanent Appointments
September 30, 1988**

Grade or Supervisory Level	Total Employment ¹	Percent Minority Employment	Black	Hispanic	Asian or Pacific Islander	American Indian or Alaskan Native
Total All Pay Plans	209,271	33.60	52,040	10,017	7,020	1,248
GS/GM and Equivalent	172,330	30.82	37,807	7,770	6,549	982
GS-1 through GS-4	30,536	43.26	10,855	1,623	458	274
GS-5 through GS-8	58,298	37.49	17,786	2,650	1,014	405
GS-9 through GS-12	63,704	22.97	8,327	2,710	3,334	259
GS/GM-13 through GS/GM-15	19,620	17.31	827	782	1,743	44
GS/GM-16 through GS/GM-18	172	9.88	12	5	0	0
Other Pay Systems ²	440	13.41	32	11	9	7
Wage System	36,501	47.01	14,201	2,236	462	259
Non-supervisory	32,506	47.46	12,711	2,034	437	244
Leader	597	46.90	239	35	5	1
Supervisory	3,398	42.73	1,251	167	20	14

¹ Excludes Philippine nationals at Manila.² Includes Senior Executive Service, Statutory Pay Plans, Veterans Canteen Officers, and Assistant Veterans Canteen Officers.

EMPLOYMENT

TABLE 63

**Employment of Women by Pay Category—Full-Time, Part-Time, and Intermittent
September 30, 1988**

Pay Category	Total Employment	Women	
		Number	Percent
Total	245,467	134,524	54.80
GS/GM Total	137,465	82,878	60.29
GS-1 through GS-6	83,909	59,231	70.59
GS-7 through GS-12	46,444	22,337	48.09
GS/GM-13 and above	7,112	1,310	18.42
Title 38 (excludes Canteen)	65,946	39,703	60.21
Wage System	37,249	8,911	23.92
Canteen	1,685	1,195	70.92
Non-U.S. Citizens—Manila	177	86	48.59
SES	144	14	9.72
Other ¹	2,801	1,737	62.01

¹ Includes purchase and hire, executive pay, hospital administration residents, and experts/consultants.

EMPLOYMENT

TABLE 64

Employment of Handicapped Individuals with Targeted Disabilities by Pay Category—Full-Time, Part-Time, and Intermittent—September 30, 1988

Pay Category	Total Employment ¹	Handicapped Individuals with Targeted Disabilities	
		Number	Percent
Total All Pay Categories	245,467	4,122	1.68
Total White Collar	205,227	2,927	1.43
GS-1 through GS-4	36,029	1,225	3.40
GS-5 through GS-8	60,262	752	1.25
GS-9 through GS-11	27,433	465	1.70
GS-12 through GS/GM-13	11,693	197	1.68
GS/GM-14 through GS/GM-15	2,039	28	1.37
GS/GM-16 through GS/GM-18 and SES	153	1	.65
Other ²	67,618	259	.38
Wage System	40,240	1,195	2.97
WG-1 through WG-3	20,673	916	4.43
WG-4 through WG-6	5,241	79	1.51
WG-7 through WG-9	3,266	53	1.62
WG-10 through WG-12	4,096	34	.83
WG-13 through WG-15	3	0	0
Other ³	6,961	113	1.62

¹ Includes permanent and temporary.² Includes Title 38, executive pay, hospital administration residents, experts/consultants, and foreign nationals.³ Includes leaders and supervisory personnel as well as purchase and hires.

TABLE 65

Appropriations, Expenditures, and Balances—Cash Basis

FISCAL

Account Categories	Appropriations	Expenditures		Nonexpenditure Transfers	Restored (+) or Covered into (–) U.S. Treasury	Investments	Cash Balance
		Fiscal Year 1988	Cumulative through September 30, 1988				
General and Special Funds:							
Compensation and pension	\$275,293,727,000	\$15,328,353,588	\$274,647,337,666	\$(67,483,031)	0	0	\$578,906,303
Readjustment benefits	70,782,749,904	700,005,538	70,423,588,046	(330,322,000)	0	0	28,839,858
Veterans insurance and indemnities	430,266,036	13,865,803	479,235,472	49,746,500	0	0	777,064
Medical care, current year	10,104,808,000	8,976,051,883	8,976,051,883	21,730,000	\$(2,765,887)	0	1,147,720,230
Medical care, 1954–87	113,767,957,087	1,069,257,818	112,435,946,033	(51,363,861)	(1,071,545,628)	0	209,101,565
Medical and prosthetic research	2,719,171,061	197,330,167	2,687,938,691	20,000,000	(5,779,225)	0	45,453,145
Assistance for health manpower training institutions, 1973–87	296,693,000	(7,428)	295,846,527	0	(458,667)	0	387,806
Medical administration and miscellaneous operating expenses, current year	46,628,000	34,479,089	34,479,089	0	(9,455)	0	12,139,456
Medical administration and miscellaneous operating expenses, 1954–87	1,116,277,172	5,983,938	1,066,836,999	0	(45,721,764)	0	3,718,409
General operating expenses, current year	762,810,000	710,757,388	710,757,388	12,000,000	(646,331)	0	63,406,281
General operating expenses, 1954–87	12,549,524,990	69,823,891	12,339,263,143	(12,000,000)	(184,379,550)	0	13,882,297
Construction of hospital and domiciliary facilities	1,042,596,863	0	1,032,915,863	(9,681,000)	0	0	0
Construction, major projects	5,734,707,000	483,045,222	3,953,915,738	(21,265,240)	0	0	1,759,526,022
Construction, minor projects	1,682,301,092	158,304,743	1,432,196,754	(33,964,558)	(4,000)	0	216,135,780
Construction, minor projects (Corps of Engineers)	0	0	2,126,796	2,126,796	0	0	0
Grants for construction of state extended care facilities, 1966–89	307,082,000	27,615,751	209,985,154	0	(2,338,466)	0	94,758,380
Grants to the Republic of the Philippines, no year	863,000	0	861,054	0	(1,946)	0	0
Grants to the Republic of the Philippines, current year	480,000	34,123	34,123	0	0	0	445,877
Grants to the Republic of the Philippines, 1950–87	54,944,037	631,961	41,193,256	0	(13,479,809)	0	270,972
Grants for the construction of state veterans cemeteries, 1980–88	23,339,000	370,429	10,010,484	0	(3,867,060)	0	9,461,456
Parking garage revolving fund	29,936,000	8,106,151	10,484,351	4,000,000	0	0	23,451,649
Loan guaranty revolving fund	1,833,690,742	1,218,842,108	3,952,047,385	2,358,140,457	0	0	239,783,814
Direct loan revolving fund	1,733,055,599	(79,804,104)	(1,279,171,644)	(2,933,263,576)	0	0	78,963,667
Canteen service revolving fund	4,965,000	(19,160,483)	(63,465,909)	0	(12,068,086)	\$32,000,000	24,362,823
Rental, maintenance, and repair of quarters	0	0	(97,127)	0	(97,127)	0	0
Service-disabled veterans insurance fund	4,500,000	(3,093,075)	(8,718,170)	0	0	0	13,218,170
Soldiers' and sailors' civil relief	3,528,000	0	2,011,031	(16,969)	(1,500,000)	0	0
Veterans reopened insurance fund	0	(5,041,458)	(487,511,822)	0	0	487,394,000	117,822
Special therapeutic and rehabilitation activities fund	0	(51,319)	(984,062)	0	0	0	984,062
Vocational rehabilitation revolving fund	3,447,000	105,023	498,651	0	(1,600,000)	0	1,348,349
Education loan fund	0	(6,336,349)	18,332,530	18,822,000	0	0	489,470
Servicemen's group life insurance fund	0	(2,909,666)	(148,050,939)	0	0	148,081,999	(31,060)
Supply fund	130,000,000	20,763,167	(35,923,401)	(71,400)	(15,677,579)	0	150,174,422
Reinstated entitlement program for survivors	51,000,000	(754,542)	35,732,043	0	(6,299,755)	0	8,968,202
Emergency veterans job training	160,000,000	25,251,614	183,364,610	45,500,000	0	0	22,135,390
Total: Appropriation and funds	500,671,047,583	28,931,820,971	492,959,067,686	(927,365,882)	(1,368,240,335)	667,475,999	4,748,897,681
Deduct proprietary receipts from the public	0	338,923,321	0	0	0	0	0
Total: Federal funds	500,671,047,583	28,592,897,650	492,959,067,686	(927,365,882)	(1,368,240,335)	667,475,999	4,748,897,681
Trust Funds:							
Post Vietnam era veterans education	1,698,787,182	303,305,187	1,507,817,372	382,118,482	0	0	573,088,292
General post fund, national homes	198,898,087	16,699,745	173,890,444	0	(386)	21,790,000	3,217,257
National service life insurance fund	42,068,126,546	1,096,292,896	31,624,265,342	0	(89)	10,440,280,000	3,581,115
U.S. Government life insurance fund	4,121,435,901	37,475,922	3,918,320,706	0	(1,811,199)	200,903,000	400,996
Veterans special life insurance fund	250,000	(75,899,519)	(1,223,870,194)	(51,150,000)	(4,250,000)	1,168,456,000	264,194
Sub-total: Trust funds	48,087,497,716	1,377,874,231	36,000,423,670	330,968,482	(6,061,674)	11,831,429,000	580,551,854
Deduct: Proprietary receipts from the public	0	515,597,154	0	0	0	0	0
Total: Trust funds	48,087,497,716	862,277,077	36,000,423,670	330,968,482	(6,061,674)	11,831,429,000	580,551,854
Deduct: Intragovernmental transactions	0	184,197,181	0	0	0	0	0
Total: Veterans Administration	548,758,545,299	29,270,977,546	528,959,491,356	(596,397,400)	(1,374,302,009)	12,498,904,999	5,329,449,535
Appropriations and funds not included above:							
Personal funds of patients	0	1,186,693	(51,352,210)	0	0	0	51,352,210
Funds due incompetent beneficiaries	0	0	(15,218)	0	0	0	15,218
Miscellaneous administrative and construction expenses	10,855,083,789	0	10,476,102,823	0	(378,980,966)	0	0
Miscellaneous benefit and insurance expenses	25,110,301,012	0	24,621,740,653	0	(488,560,359)	0	0
Miscellaneous trust funds	4,700,842,392	0	4,658,621,658	0	(42,220,734)	0	0
Miscellaneous transfer appropriations and working funds	38,634,996	0	31,269,691	0	(7,365,305)	0	0
Total: Other appropriations and funds	40,704,862,189	1,186,693	39,736,367,397	0	(917,127,364)	0	51,367,428

NOTE: Totals may not add due to rounding.

Net Outlays—FY 1987 and FY 1988
(Dollars in Thousands)

<i>Outlays</i>	<i>FY 1988</i>	<i>FY 1987¹</i>
Grand Total	\$29,270,976	\$26,952,038
Total Medical Programs	10,292,167	9,758,414
Medical Care	10,045,310	9,499,750
Medical and Prosthetic Research	197,330	195,123
Medical Administration and Miscellaneous Operating Expenses	40,463	40,265
Grants for Construction of State Extended Care Facilities	27,616	26,046
Grants to the Republic of the Philippines	666	268
Assistance for Health Manpower Training Institutions	(7)	191
Canteen Service Revolving Fund	(19,160)	(3,246)
Special Therapeutic and Rehabilitative Activities Fund	(51)	17
Total Benefits Programs	17,188,485	15,563,337
Compensation	11,251,859	10,502,353
Pension	3,934,821	3,793,200
Burial Benefits and Miscellaneous Assistance	141,674	130,730
Veterans Job Training	25,252	38,005
Readjustment Benefits	700,006	776,401
Reinstated Entitlement Program for Survivors	(755)	(2,845)
Loan Guaranty Revolving Fund	1,218,842	382,059
Vocational Rehabilitation Revolving Fund	105	(12)
Direct Loan Revolving Fund	(79,804)	(33,064)
Education Loan Fund	(6,337)	(9,871)
Veterans Insurance and Indemnities	13,866	4,856
Service Disabled Veterans Insurance	(3,093)	1,984
Veterans Reopened Insurance Fund	(5,041)	(7,580)
Servicemen's Group Life Insurance Fund	(2,910)	(12,879)
Construction Programs	649,456	537,156
Trust Funds (Net)	523,351	483,037
Post-Vietnam Era Veterans Education Account	303,305	283,607
General Post Fund	16,700	20,617
National Service Life Insurance	1,096,293	1,034,060
U.S. Government Life Insurance	37,475	40,325
Veterans Special Life Insurance	(75,900)	(78,213)
Proprietary Receipts from the Public	(854,522)	(817,359)
Intragovernmental Transactions	(184,197)	(87,977)
General Operating Expenses and Miscellaneous	801,714	698,071
General Operating Expenses	780,581	720,224
Grants for the Construction of State Veterans Cemeteries	370	1,185
Supply Fund	20,763	(23,338)

¹ Data revised from 1987 Annual Report.

TABLE 67

FISCAL

Estimated Selected Expenditures by State—Fiscal Year 1988¹

State	Total	Readjustment Benefits						
		Total		Educational Assistance				
				Post-Korean Conflict Veterans (Title 38, U.S.C., Ch. 34)		Dependents Educational Assistance (Title 38, U.S.C., Ch. 35)		
				Total Number Who Trained During Year	Amount	Number Trained During Year		Amount
		Number Who Trained During Year	Amount			Sons and Daughters of Deceased or Totally Disabled Service-connected Veterans	Widows/ Widowers and Spouses of Totally Disabled Service-connected Veterans	
World Totals	\$29,187,982,400	² 273,304	\$748,133,527	202,769	\$491,848,198	40,871	4,972	\$110,025,299
Philippines	124,652,229	1,989	6,282,530	1,203	4,949,327	749	37	1,298,257
Other foreign areas	75,844,267	233	372,301	141	.....	89	3	372,301
Puerto Rico	381,653,248	2,125	7,550,912	537	1,966,458	1,069	113	3,279,385
Other U.S. areas	7,122,361	272	534,632	248	461,890	20	4	48,676
Total U.S.	28,598,710,295	264,736	733,393,152	200,640	484,470,523	38,944	4,815	105,026,680
Alabama	578,593,082	8,069	23,403,232	6,134	16,089,139	1,306	179	3,563,105
Alaska	86,339,944	1,455	2,653,886	1,290	1,934,775	66	11	179,104
Arizona	457,558,531	6,351	16,988,682	4,787	10,986,769	886	136	2,261,358
Arkansas	446,769,637	3,013	9,706,043	2,021	6,050,822	702	84	1,955,730
California	2,573,948,092	33,039	83,542,538	27,650	65,606,906	3,537	542	9,284,383
Colorado	375,606,980	6,836	21,273,705	5,539	14,900,477	762	109	2,099,099
Connecticut	270,340,009	1,602	4,021,806	1,223	2,356,928	207	21	550,691
Delaware	80,277,506	717	1,943,286	540	920,942	92	17	226,078
District of Columbia	896,726,295	1,494	1,457,693	1,246	586,336	185	6	275,434
Florida	1,732,700,737	16,479	42,126,206	12,763	29,706,287	2,672	401	7,034,749
Georgia	771,521,818	8,173	25,145,793	6,332	17,444,928	1,344	171	4,051,874
Hawaii	92,323,804	2,902	5,363,864	2,576	4,318,604	175	24	484,205
Idaho	101,038,187	1,256	4,280,326	945	2,878,005	174	17	499,808
Illinois	1,057,674,452	6,816	16,327,846	5,551	10,913,788	716	75	1,804,589
Indiana	449,123,299	4,001	13,209,365	2,691	7,647,844	605	59	1,593,561
Iowa	319,814,952	1,503	5,606,866	1,055	3,227,257	330	17	874,047
Kansas	299,373,381	3,226	9,333,137	2,425	6,482,405	420	41	1,174,132
Kentucky	476,133,516	3,893	12,271,259	2,588	7,207,428	764	76	2,016,697
Louisiana	529,645,780	4,408	13,602,544	3,196	9,359,096	820	71	2,222,796
Maine	170,516,701	1,518	4,534,013	1,047	2,375,202	264	37	787,822
Maryland	416,359,999	8,218	10,333,723	7,095	6,082,833	605	72	1,412,310
Massachusetts	853,487,954	3,766	9,438,194	2,615	4,342,374	842	45	2,113,277
Michigan	749,104,304	5,253	14,252,713	3,619	8,321,936	966	68	2,316,576
Minnesota	520,300,393	2,890	9,842,904	1,979	5,858,477	472	35	1,249,444
Mississippi	392,790,393	2,406	7,763,200	1,592	4,768,531	539	40	1,469,634
Missouri	644,216,432	5,781	15,967,383	4,587	10,943,332	658	85	1,869,292
Montana	95,226,772	873	2,864,375	651	1,884,026	94	17	321,219
Nebraska	206,493,975	2,532	6,056,649	2,074	4,289,894	312	46	907,714
Nevada	132,871,559	1,833	4,634,184	1,387	2,852,892	120	26	308,896
New Hampshire	120,406,605	1,343	3,069,204	1,031	1,724,637	164	13	393,407
New Jersey	597,902,690	2,857	8,248,577	1,883	4,105,102	489	43	1,628,941
New Mexico	238,124,775	3,022	9,707,669	2,288	6,242,274	441	50	1,266,954
New York	1,944,910,547	7,070	19,281,324	4,684	9,667,650	1,547	134	3,672,605
North Carolina	765,485,132	8,545	27,521,674	6,026	18,545,357	1,651	246	4,768,173
North Dakota	71,593,472	1,045	2,746,212	816	1,819,375	117	4	345,783
Ohio	1,031,570,030	7,042	20,622,410	5,095	11,725,666	1,096	141	3,019,353
Oklahoma	491,488,031	6,673	19,869,013	4,756	12,893,643	1,119	149	3,063,706
Oregon	404,465,367	2,832	10,743,292	2,018	6,102,197	397	68	1,181,941
Pennsylvania	1,321,475,847	6,489	16,864,451	4,358	8,456,981	1,249	79	3,083,288
Rhode Island	132,080,859	1,207	2,546,742	892	1,468,114	206	15	456,328
South Carolina	382,739,290	6,246	17,457,782	4,879	13,198,698	886	139	2,545,447
South Dakota	140,460,539	1,095	3,189,934	762	1,610,329	137	12	444,380
Tennessee	695,953,448	4,906	15,922,972	3,286	10,063,855	902	87	2,460,329
Texas	2,024,109,001	26,416	73,849,044	20,186	50,814,612	3,916	546	10,239,200
Utah	167,463,480	1,959	6,591,314	1,271	3,849,586	365	37	934,528
Vermont	82,543,580	341	1,197,257	161	334,488	85	10	190,906
Virginia	753,381,689	11,713	30,382,041	9,194	21,116,940	1,566	239	4,533,754
Washington	560,886,794	8,575	29,525,629	6,875	22,256,925	994	187	3,213,935
West Virginia	323,080,621	1,240	3,887,852	663	1,977,384	322	40	849,338
Wisconsin	503,868,514	3,040	9,778,468	1,787	4,738,453	560	39	1,519,485
Wyoming	67,841,500	777	2,444,876	531	1,420,024	100	9	307,275

¹ Readjustment Benefits and Compensation and Pension for the 50 states, D.C., Puerto Rico, and Other U.S. Areas were derived from the Federal Assistance Awards Data System (FAADS). Data for the Philippines and Other Foreign Areas were obtained from VA cost reports. Information for Insurance and Indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

² Estimated data. Includes 3,949 not identified by location. Data not available for Philippines, Other Foreign Areas, and Other U.S. Areas.

NOTE: Table excludes post-Vietnam era training, emergency job training, new GI bill, burial benefits, and various other VA funds and expenditures. Some Readjustment Benefits amounts data not available for Philippines, and/or Other Foreign Areas, Other U.S. Areas.

Estimated Selected Expenditures by State—Fiscal Year 1988¹

State	Readjustment Benefits—Continued				Insurance and Indemnities	Hospital and Domiciliary Construction	Medical Services and Administrative Costs
	Vocational Rehabilitation		Automobiles and other Conveyances for Disabled Veterans	Specially Adapted Housing for Disabled Veterans			
	Subsistence, Equipment and Supplies, Books and Tuition (Title 38, U.S.C., Ch. 31)						
	Total Number Who Trained During Year	Amount					
World Totals	24,692	\$122,704,826	\$16,448,377	\$7,106,827	\$1,733,890,158	\$634,144,661	\$11,298,552,741
Philippines .....	.....	34,946	.....	.....	1,127,952	3,709	3,502,283
Other foreign areas .....	.....	.....	.....	.....	3,701,202	.....	.....
Puerto Rico	406	2,194,951	110,118	.....	2,557,635	2,531,165	110,774,350
Other U.S. areas .....	.....	18,317	5,749	.....	408,870	.....	.....
Total U.S.	20,337	120,456,612	16,332,510	7,106,827	1,726,094,499	631,609,787	11,184,276,108
Alabama	450	3,200,182	250,299	300,507	26,536,532	8,622,374	197,875,461
Alaska	88	492,991	47,016	.....	3,405,220	96,787	60,226,669
Arizona	542	3,071,337	562,718	106,500	27,687,221	3,729,371	158,964,748
Arkansas	206	1,247,108	211,919	240,464	16,196,821	1,786,085	164,237,604
California	1,310	6,429,960	1,516,996	704,293	194,469,646	54,162,669	1,044,113,206
Colorado	426	3,695,760	364,369	214,000	23,661,030	3,678,551	130,301,557
Connecticut	151	897,315	216,872	.....	26,515,130	1,707,169	112,143,630
Delaware	68	717,351	78,915	.....	6,803,228	134,953	38,329,234
District of Columbia	57	588,876	7,047	.....	4,586,904	41,686,716	796,326,737
Florida	643	2,944,039	1,439,117	1,002,014	115,403,920	16,300,511	497,361,314
Georgia	326	3,186,978	462,013	.....	36,253,696	33,589,688	228,691,964
Hawaii	127	537,906	23,149	.....	7,868,218	60,701	28,788,297
Idaho	120	806,603	95,910	.....	5,550,513	2,857,460	32,628,295
Illinois	474	3,318,835	290,634	.....	81,048,336	20,221,447	547,599,002
Indiana	646	3,317,462	354,998	295,500	26,687,089	6,205,910	158,549,430
Iowa	101	1,201,858	156,704	147,000	21,558,752	11,821,849	142,530,401
Kansas	340	1,598,747	77,853	.....	15,845,306	7,942,636	132,467,253
Kentucky	465	2,621,230	301,904	124,000	19,443,266	18,725,548	154,353,874
Louisiana	321	1,683,964	200,033	136,655	23,567,607	17,324,760	189,183,760
Maine	170	1,193,457	177,532	.....	12,011,273	2,500,496	49,755,407
Maryland	446	2,523,414	241,166	74,000	41,402,910	5,771,151	129,138,590
Massachusetts	264	2,279,958	408,585	294,000	54,606,512	24,543,315	328,989,060
Michigan	600	3,336,163	278,038	.....	55,614,381	3,326,466	271,868,222
Minnesota	404	2,314,847	202,136	218,000	32,479,806	10,914,903	248,707,835
Mississippi	235	1,273,498	143,229	108,308	12,569,890	2,756,228	135,887,173
Missouri	451	2,736,540	344,719	73,500	30,943,681	12,155,240	283,099,846
Montana	111	633,757	25,373	.....	6,139,681	701,812	33,423,405
Nebraska	100	761,803	97,238	.....	9,546,442	3,632,095	94,214,504
Nevada	300	1,343,032	93,864	35,500	9,565,860	47,955	49,905,125
New Hampshire	135	829,763	121,397	.....	10,017,752	36,723	33,778,047
New Jersey	442	2,201,205	313,329	.....	70,563,797	10,669,662	178,768,551
New Mexico	243	1,966,112	122,682	109,647	14,804,554	1,006,629	83,859,532
New York	705	5,213,533	727,536	.....	132,578,929	37,706,777	869,015,440
North Carolina	622	3,375,320	450,113	382,711	32,429,590	21,234,347	234,526,352
North Dakota	108	532,301	42,753	6,000	3,064,143	513,973	33,851,132
Ohio	710	4,348,321	929,570	599,500	63,543,570	11,993,923	370,593,705
Oklahoma	649	3,556,364	275,800	79,500	20,693,954	3,607,454	124,806,331
Oregon	349	3,050,171	259,102	149,881	20,682,356	4,160,093	185,618,428
Pennsylvania	803	4,608,373	715,809	.....	95,177,982	46,476,177	508,604,311
Rhode Island	94	588,749	33,551	.....	5,875,365	78,479	50,760,670
South Carolina	342	1,443,422	234,715	35,500	24,118,602	1,927,703	122,323,171
South Dakota	184	1,094,937	40,288	.....	5,227,531	2,302,059	79,151,643
Tennessee	631	2,958,226	440,562	.....	30,738,816	23,602,556	286,055,617
Texas	1,768	10,617,570	1,462,565	715,097	101,214,333	96,367,576	668,417,903
Utah	286	1,695,296	111,904	.....	8,203,376	7,628,741	79,895,031
Vermont	85	658,357	13,506	.....	5,654,742	837,851	38,715,433
Virginia	714	3,565,648	693,949	471,750	51,591,822	8,908,947	239,949,311
Washington	519	3,168,562	403,207	483,000	32,753,658	6,804,881	182,798,101
West Virginia	215	999,780	61,350	.....	14,249,306	19,417,803	129,532,007
Wisconsin	654	3,319,948	200,582	.....	31,834,203	7,075,271	206,934,756
Wyoming	137	709,683	7,894	.....	3,107,247	2,247,316	36,659,033

¹ Readjustment Benefits and Compensation and Pension for the 50 states, D.C., Puerto Rico, and Other U.S. Areas were derived from the Federal Assistance Awards Data System (FAADS). Data for the Philippines and Other Foreign Areas were obtained from VA cost reports. Information for Insurance and Indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

² Estimated data. Includes 3,949 not identified by location. Data not available for Philippines, Other Foreign Areas, and Other U.S. Areas.

NOTE: Table excludes post-Vietnam era training, emergency job training, new G.I. bill, burial benefits, and various other VA funds and expenditures. Some Readjustment Benefits amounts data not available for Philippines, and/or Other Foreign Areas, Other U.S. Areas.

TABLE 67—Continued

FISCAL

Estimated Selected Expenditures by State—Fiscal Year 1988¹

State	Compensation and Pension							
	All Periods of Service							
	Living and Deceased Veterans						Living Veterans	
	Total		Service-Connected		Nonservice-Connected		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
World Totals	3,724,993	\$14,773,261,313	2,524,103	\$10,911,643,371	1,200,890	\$3,861,617,942	2,804,384	\$11,255,367,660
Philippines	27,863	113,735,755	20,664	77,024,553	7,199	36,711,202	10,981	48,161,667
Other foreign areas	16,338	71,770,764	8,489	50,477,229	7,849	21,293,535	7,075	33,810,102
Puerto Rico	47,278	258,239,186	21,539	160,053,845	25,739	98,185,341	35,106	215,310,196
Other U.S. areas	3,656	6,178,859	3,279	5,046,444	377	1,132,415	3,013	4,390,709
Total U.S.	3,629,858	14,323,336,749	2,470,132	10,619,041,300	1,159,726	3,704,295,449	2,748,209	10,953,694,986
Alabama	83,791	322,155,483	49,188	209,767,570	34,603	112,387,913	58,103	227,683,648
Alaska	5,489	19,957,382	5,066	18,385,079	423	1,572,303	5,005	17,387,846
Arizona	57,132	250,188,509	45,384	212,325,327	11,748	37,863,182	46,514	198,340,086
Arkansas	56,657	254,843,084	31,389	174,022,727	25,268	80,820,357	40,151	195,509,130
California	311,127	1,197,660,033	231,300	965,246,774	79,827	232,413,259	242,089	886,129,541
Colorado	47,047	196,692,137	37,801	165,051,433	9,246	31,640,704	37,660	150,539,231
Connecticut	36,233	125,952,274	28,554	105,202,423	7,679	20,749,851	29,478	101,777,561
Delaware	9,126	33,066,805	6,635	26,001,034	2,491	7,065,771	7,041	25,244,211
District of Columbia	11,403	52,668,245	7,261	39,147,367	4,142	13,520,878	8,331	38,155,821
Florida	241,729	1,061,508,786	184,949	879,938,466	56,780	181,570,320	192,387	831,689,366
Georgia	108,081	447,840,677	69,379	330,103,709	38,702	117,736,968	77,444	326,858,997
Hawaii	12,078	50,242,724	10,386	44,735,693	1,692	5,507,031	10,051	39,526,249
Idaho	14,104	55,721,593	10,206	43,517,824	3,898	12,203,769	11,293	44,751,644
Illinois	111,294	392,477,821	68,220	246,616,282	43,074	145,861,539	82,335	299,397,501
Indiana	65,634	244,471,505	42,381	169,044,914	23,253	75,426,591	48,674	187,384,928
Iowa	34,973	138,297,084	22,083	91,307,678	12,890	46,989,406	25,805	104,655,246
Kansas	33,671	133,785,049	22,761	95,417,240	10,910	38,367,809	25,156	99,857,905
Kentucky	68,232	271,339,569	37,933	172,020,537	30,299	99,319,032	48,427	205,564,563
Louisiana	72,863	285,967,109	37,300	163,947,051	35,563	122,020,058	48,945	200,181,683
Maine	24,548	101,715,512	16,097	76,107,596	8,451	25,607,916	18,789	81,508,475
Maryland	60,653	229,713,625	43,994	180,708,795	16,659	49,004,830	45,894	170,441,511
Massachusetts	112,942	435,910,873	88,194	355,437,516	24,748	80,473,357	91,475	351,654,826
Michigan	110,989	404,042,522	78,320	305,532,853	32,669	98,509,669	85,961	324,650,002
Minnesota	58,349	218,354,945	40,173	149,454,469	18,176	68,900,476	45,285	167,610,012
Mississippi	56,077	233,813,902	27,669	140,593,906	28,408	93,219,996	38,218	170,894,341
Missouri	77,116	302,050,282	45,866	197,153,542	31,250	104,896,740	55,395	224,341,352
Montana	13,018	52,097,499	9,163	39,302,602	3,855	12,794,897	10,578	42,795,988
Nebraska	21,696	93,044,285	14,627	65,322,116	7,069	27,722,169	16,492	71,327,346
Nevada	18,067	68,718,435	14,130	55,756,190	3,937	12,962,245	15,231	55,273,371
New Hampshire	18,081	73,504,879	14,243	60,922,137	3,838	12,582,742	14,880	60,395,226
New Jersey	98,095	329,652,103	75,337	274,545,913	22,758	55,106,190	78,246	265,790,868
New Mexico	28,987	128,746,391	20,738	102,262,453	8,249	26,483,938	22,894	103,227,754
New York	235,944	886,328,077	161,405	641,539,883	74,539	244,788,194	182,230	699,727,688
North Carolina	113,007	449,773,169	67,306	311,766,239	45,701	138,006,930	79,558	328,518,164
North Dakota	8,325	31,418,012	5,664	21,626,993	2,661	9,791,019	6,658	25,384,190
Ohio	151,495	564,816,422	102,455	399,890,452	49,040	164,925,970	116,026	443,846,742
Oklahoma	69,102	322,511,279	43,669	222,093,381	25,433	100,417,898	51,504	249,379,399
Oregon	43,492	183,261,198	29,733	134,449,461	13,759	48,811,737	34,424	147,223,446
Pennsylvania	183,829	654,352,926	123,097	483,358,200	60,732	170,994,726	137,170	508,846,216
Rhode Island	18,543	72,819,603	13,769	58,243,478	4,774	14,576,125	14,526	57,469,358
South Carolina	58,574	216,912,032	33,790	145,952,071	24,784	70,959,961	39,643	148,301,926
South Dakota	11,948	50,589,372	7,093	31,912,579	4,855	18,676,793	9,039	39,618,565
Tennessee	87,191	339,633,487	47,337	212,729,823	39,854	126,903,664	60,574	247,773,423
Texas	260,419	1,084,260,145	179,530	836,272,237	80,889	247,987,908	193,698	811,986,359
Utah	15,970	65,145,018	12,455	51,822,411	3,515	13,322,607	13,006	51,994,112
Vermont	8,360	36,138,297	5,643	28,429,776	2,717	7,708,521	6,463	29,599,639
Virginia	101,608	422,549,568	71,624	334,471,816	29,984	88,077,752	75,818	310,054,777
Washington	74,650	309,004,525	59,215	252,357,220	15,435	56,647,305	60,552	240,727,563
West Virginia	38,803	155,993,653	21,895	100,741,264	16,908	55,252,389	28,058	121,584,080
Wisconsin	63,382	248,245,816	43,274	178,183,381	20,108	70,062,435	50,101	201,744,297
Wyoming	5,934	23,383,028	4,451	18,301,419	1,483	5,081,609	4,934	19,368,813

¹ Readjustment Benefits and Compensation and Pension for the 50 states, D.C., Puerto Rico, and Other U.S. Areas were derived from the Federal Assistance Awards Data System (FAADS). Data for the Philippines and Other Foreign Areas were obtained from VA cost reports. Information for Insurance and Indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

NOTE: Excludes burial benefits and various other VA funds and expenditures.

Estimated Selected Expenditures by State—Fiscal Year 1988¹

State	Compensation and Pension—Continued									
	Living Veterans					All Periods of Service				
	Service-Connected		Nonservice-Connected		Total	Deceased Veterans				
	Number	Amount	Number	Amount		Service-Connected	Amount	Nonservice-Connected	Amount	
World Totals	2,198,857	\$8,733,274,691	605,527	\$2,522,092,969	920,609	\$3,517,893,653	325,246	\$2,178,368,680	595,363	\$1,339,524,973
Philippines	8,412	28,446,133	2,569	19,715,534	16,882	65,574,088	12,252	48,578,420	4,630	16,995,668
Other foreign areas	5,257	27,093,785	1,818	6,716,317	9,263	37,960,662	3,232	23,383,444	6,031	14,577,218
Puerto Rico	18,761	143,567,288	16,345	71,742,908	12,172	42,928,990	2,778	16,486,557	9,394	26,442,433
Other U.S. areas	2,883	3,727,516	130	663,193	643	1,788,150	396	1,318,928	247	469,222
Total U.S.	2,163,544	8,530,439,969	584,665	2,423,255,017	881,649	3,369,641,763	306,588	2,088,601,331	575,061	1,281,040,432
Alabama	41,611	160,215,365	16,492	67,468,283	25,688	94,471,835	7,577	49,552,205	18,111	44,919,630
Alaska	4,773	16,197,321	232	1,190,525	484	2,569,536	293	2,187,758	191	381,778
Arizona	39,617	170,322,647	6,897	28,017,439	10,618	51,848,423	5,767	42,002,680	4,851	9,845,743
Arkansas	26,286	141,787,625	13,865	53,721,505	16,506	59,333,954	5,103	32,235,102	11,403	27,098,852
California	198,953	726,679,838	43,136	159,449,703	69,038	311,530,492	32,347	238,566,936	36,691	72,963,556
Colorado	33,060	129,918,657	4,600	20,620,574	9,387	46,152,906	4,741	35,132,776	4,646	11,020,130
Connecticut	26,104	88,727,310	3,374	13,050,251	6,755	24,174,713	2,450	16,475,113	4,305	7,699,600
Delaware	5,876	20,558,825	1,165	4,685,386	2,085	7,822,594	759	5,442,209	1,326	2,380,385
District of Columbia	6,147	28,651,425	2,184	9,504,396	3,072	14,512,424	1,114	10,495,942	1,958	4,016,482
Florida	161,161	707,495,325	31,226	124,194,041	49,342	229,819,420	23,788	172,443,141	25,554	57,376,279
Georgia	57,936	252,430,925	19,508	74,428,072	30,637	120,981,680	11,443	77,672,784	19,194	43,308,896
Hawaii	9,089	35,459,971	962	4,066,278	2,027	10,716,475	1,297	9,275,722	730	1,440,753
Idaho	9,109	36,046,035	2,184	8,705,609	2,811	10,969,949	1,097	7,471,789	1,714	3,498,160
Illinois	60,968	201,167,358	21,367	98,230,143	28,959	93,080,320	7,252	45,448,924	21,707	47,631,396
Indiana	37,726	139,806,319	10,948	47,578,609	16,960	57,086,577	4,655	29,238,595	12,305	27,847,982
Iowa	19,554	75,083,103	6,251	29,572,143	9,168	33,641,838	2,529	16,224,575	6,639	17,417,263
Kansas	19,783	75,562,429	5,373	24,295,476	8,515	33,927,144	2,978	19,854,811	5,537	14,072,333
Kentucky	32,274	137,597,974	16,153	67,966,589	19,805	65,775,006	5,659	34,422,563	14,146	31,352,443
Louisiana	31,299	124,756,540	17,646	75,425,143	23,918	85,785,426	6,001	39,190,511	17,917	46,594,915
Maine	14,123	63,403,640	4,666	18,104,835	5,759	20,207,037	1,974	12,703,956	3,785	7,503,081
Maryland	38,065	138,606,596	7,829	31,834,915	14,759	59,272,114	5,929	42,102,199	8,830	17,169,915
Massachusetts	80,325	301,209,085	11,150	50,445,741	21,467	84,256,047	7,869	54,228,431	13,598	30,027,616
Michigan	71,362	262,323,440	14,599	62,326,562	25,028	79,392,520	6,958	43,209,413	18,070	36,183,107
Minnesota	36,368	124,796,038	8,917	42,813,974	13,064	50,744,933	3,805	24,658,431	9,259	26,086,502
Mississippi	22,859	109,413,608	15,359	61,480,733	17,859	62,919,561	4,810	31,180,298	13,049	31,739,263
Missouri	39,645	157,021,395	15,750	67,319,957	21,721	77,708,930	6,221	40,132,147	15,500	37,576,783
Montana	8,347	33,817,419	2,231	8,978,569	2,440	9,301,511	816	5,485,183	1,624	3,816,328
Nebraska	12,768	52,788,892	3,724	18,538,454	5,204	21,716,939	1,859	12,533,224	3,345	9,183,715
Nevada	12,720	45,543,264	2,511	9,730,107	2,836	13,445,064	1,410	10,212,926	1,426	3,232,138
New Hampshire	12,926	51,750,401	1,954	8,644,825	3,201	13,109,653	1,317	9,171,736	1,884	3,937,917
New Jersey	68,769	230,707,155	9,477	35,083,713	19,849	63,861,235	6,568	43,838,758	13,281	20,022,477
New Mexico	18,087	84,017,932	4,807	19,209,822	6,093	25,518,637	2,651	18,244,521	3,442	7,274,116
New York	146,943	547,838,449	35,287	151,889,239	53,714	186,600,389	14,462	93,701,434	39,252	92,898,955
North Carolina	56,858	243,110,493	22,700	85,407,671	33,449	121,255,005	10,448	68,655,746	23,001	52,599,259
North Dakota	5,190	18,687,845	1,468	6,696,345	1,667	6,033,822	474	2,939,148	1,193	3,094,674
Ohio	92,498	336,282,421	23,528	107,564,321	35,469	120,969,680	9,957	63,608,031	25,512	57,361,649
Oklahoma	37,111	178,103,207	14,393	71,276,192	17,598	73,131,880	6,558	43,990,174	11,040	29,141,706
Oregon	26,509	112,272,753	7,915	34,950,693	9,068	36,037,752	3,224	22,176,708	5,844	13,861,044
Pennsylvania	110,300	402,953,895	26,870	105,892,321	46,659	145,506,710	12,797	80,404,305	33,862	65,102,405
Rhode Island	12,372	48,552,040	2,154	8,917,318	4,017	15,350,245	1,397	9,691,438	2,620	5,658,807
South Carolina	27,939	106,123,049	11,704	42,178,877	18,931	68,610,106	5,851	39,829,022	13,080	28,781,084
South Dakota	6,320	26,998,691	2,719	12,619,874	2,909	10,970,807	773	4,913,888	2,136	6,056,919
Tennessee	39,997	166,721,281	20,577	81,052,142	26,617	91,860,064	7,340	46,008,542	19,277	45,851,522
Texas	152,475	646,498,404	41,223	165,487,955	66,721	272,273,786	27,055	189,773,833	39,666	82,499,953
Utah	11,191	42,961,094	1,815	9,033,018	2,964	13,150,906	1,264	8,861,317	1,700	4,289,589
Vermont	4,991	24,052,871	1,472	5,546,768	1,897	6,538,658	652	4,376,905	1,245	2,161,753
Virginia	60,665	251,870,672	15,153	58,184,105	25,790	112,494,791	10,959	82,601,144	14,831	29,893,647
Washington	52,272	201,829,234	8,280	38,898,329	14,098	68,276,962	6,943	50,527,986	7,155	17,748,976
West Virginia	18,828	82,873,743	9,230	38,710,337	10,745	34,409,573	3,067	17,867,521	7,678	16,542,052
Wisconsin	39,341	153,208,641	10,760	48,535,656	13,281	46,501,519	3,933	24,974,740	9,348	21,526,779
Wyoming	4,054	15,637,329	880	3,731,484	1,000	4,014,215	397	2,664,090	603	1,350,125

¹ Readjustment Benefits and Compensation and Pension for the 50 states, D.C., Puerto Rico, and Other U.S. Areas were derived from the Federal Assistance Awards Data System (FAADS). Data for the Philippines and Other Foreign Areas were obtained from VA cost reports. Information for Insurance and Indemnities for the 50 states and D.C. are statistical estimates. All other dollar estimates are derived from VA accounting reports.

NOTE: Excludes burial benefits and various other VA funds and expenditures.

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United States
General Accounting Office
Washington, D.C. 20548

Comptroller General
of the United States

B-226801

To the Secretary
Department of Veterans Affairs

We have audited the accompanying consolidated statement of financial position of the Veterans Administration (VA) (which became, in March 1989, the Department of Veterans Affairs) as of September 30, 1988 and 1987, and the related consolidated statements of operations and changes in financial position and reconciliation to budget for the fiscal years then ended. These consolidated financial statements are the responsibility of VA's management. Our responsibility is to express an opinion on these statements based on our audits. In addition to this report on our audit of VA's fiscal year 1988 and 1987 consolidated financial statements, we are also reporting on our consideration of VA's system of internal accounting controls and compliance with laws and regulations.

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As we stated in our report on VA's fiscal year 1987 consolidated financial statements (GAO/AFMD-89-23), our opinion was qualified because documents supporting the original cost of land, buildings, and equipment, many of which were acquired by VA over periods dating back to its establishment in 1930, were not readily obtainable. Furthermore, although the accounting records for equipment were maintained in an automated system, the manually kept records for land and buildings were not always subject to

uniform accounting controls and contained many errors in recorded values. Our audit of the fiscal year 1988 financial statements disclosed that, although VA has made significant improvements in this area, especially in transferring project costs from work-in-process to completed facilities, the accounting records for land and buildings were still kept manually and contained errors in recorded values. Accordingly, we determined that it was not practical for us to perform, nor did we perform, sufficient alternative audit procedures to remove our qualification relating to the presentation of land, buildings, and equipment.

The accompanying consolidated financial statements reflect statutorily calculated life insurance reserves rather than reserves calculated in accordance with generally accepted accounting principles (GAAP). (See note 6.) These reserves, which cover the principal insurance plans which VA administers and supervises, were established based on federal statutes which prescribe conservative investment yields and mortality assumptions. Under GAAP, more realistic interest earnings projections and actual mortality experiences are used to calculate such reserves. The insurance reserves reflected in the statements, which were calculated using statutorily set interest rates ranging from 2.3 percent to 4.5 percent and mortality tables dated as far back as 1941, amounted to \$11.8 billion and \$11.6 billion for fiscal years 1988 and 1987, respectively. Insurance reserves under GAAP, calculated using interest rates ranging from 7 percent to 8.5 percent and mortality assumptions based on actual program experience, amount to approximately \$8.9 billion and \$8.6 billion for fiscal years 1988 and 1987, respectively. Thus, under GAAP, the insurance reserves reflected on the consolidated statement of financial position would have been about \$3 billion less for each fiscal year. This difference is called "Participating Policyholders' Interest in Accumulated Participating Earnings" and, under GAAP, would be classified on the consolidated statement of financial position as a liability. Operating expenses for fiscal year 1988 would have been greater under GAAP, but not in a material amount.

In our opinion, except for the effect of adjustments, if any, that might have been necessary had we been able to perform the necessary auditing procedures to substantiate the asset and related expense accounts, as discussed in paragraph three above, and, except for the effect of the

financial statement presentation of life insurance reserves using statutory assumptions rather than the more realistic assumptions under generally accepted accounting principles, as discussed in paragraph four above, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Veterans Administration as of September 30, 1988 and 1987, the results of its operations, and the changes in its financial position and reconciliation to budget for the fiscal years then ended, in conformity with generally accepted accounting principles.

VA'S FINANCIAL CONDITION

VA has five major categories of programs for accomplishing its legislative mission. Three of the categories are financed principally through appropriations while two--the life insurance and housing credit assistance programs--are designed to be financed primarily by revenues generated from operations. The financial condition of VA's life insurance program is satisfactory, but the housing credit program is experiencing financial problems.

Weakened Housing Credit Program

The entire home mortgage industry has experienced increased home loan foreclosures during the 1980s. This has also been VA's experience with the two revolving funds which make up its housing credit program. The direct loan fund was established to provide direct mortgage loans to veterans in rural areas where private financing was not generally available. The fund's authorization to issue direct loans was suspended during fiscal year 1981 except for loans to severely disabled veterans for specially adapted housing. The loan guaranty fund guarantees a portion of private sector loans made to eligible veterans and makes direct (vendee) loans for properties acquired because of foreclosures. Virtually all of VA's new housing credit assistance relates to the loan guaranty fund.

The direct loan fund has sufficient assets and anticipated collections (principal and interest payments) to cover normal operations for the next few years. However, the fund does not have sufficient resources to repay a \$1.7 billion liability to the Department of the Treasury for resources transferred to the loan guaranty fund. The liability does not bear an interest charge and has no required repayment date. However, either VA will

ultimately have to obtain an appropriation to pay the liability or legislation will be required authorizing Treasury to release the direct loan fund from the liability.

From its inception in 1962 through the 1970s, the loan guaranty fund's annual financial requirements were met primarily through its operational resources. Supplemental financing of about \$1 billion, which was obtained through transfers from the direct loan fund, was required during this period. However, the loan guaranty fund's requirement for both transfers and annual appropriations to help defray program costs has increased significantly since 1980. From fiscal year 1980 through fiscal year 1988, the fund required about \$1.4 billion in transfers from the direct loan fund and other VA appropriations and \$1.6 billion in appropriations--\$900 million in fiscal year 1988 alone.

The primary cause of the loan guaranty fund's increased need for funding beyond that generated through normal operations was the weakened financial condition of certain sectors of the economy, particularly energy and agriculture. VA has experienced a high level of home loan foreclosures--44,693 in fiscal year 1987 and 48,963 in fiscal year 1988--which has resulted in increased cash outlays for property acquisitions, thereby severely straining the loan guaranty fund's normal operating financial resources.

The loan guaranty fund will need approximately \$3.5 billion from future years' financing sources to pay unfunded losses incurred by the program through fiscal year 1988. While a portion of these future financing needs will come from the fund's normal operations, VA estimates that for at least the next several years the fund will require additional resources from appropriations. For example, VA estimates that the fund will need (1) about \$788 million in direct appropriations in fiscal year 1989 and (2) about \$100 million in transfers from the direct loan fund plus about \$453 million in additional direct appropriations in fiscal year 1990. However, as in fiscal year 1988 when a \$526 million supplemental appropriation had to be obtained to meet the total cash needs of the loan guaranty fund, the amount of appropriations needed to defray the costs of the housing credit program may increase significantly from VA's initial estimates. We are concerned that VA may require direct appropriation assistance from the Congress which is

significantly greater than that currently identified in VA's 1989 appropriation request and budget proposals for the next few years.

Reasons Additional Appropriation
Estimates May Be Low

Various factors may affect the level of direct, annual appropriations needed by the loan guaranty fund. Actual financial results may deviate from VA's estimates if, for example, any of the following situations occur:

- The number of properties that VA has to acquire and the claims it has to pay due to foreclosures on VA-guaranteed loans is greater than anticipated because envisioned economic improvements do not occur or VA foreclosure estimates are inaccurate. VA expects the foreclosure trend to reverse itself, but other mortgage industry sources expect the trend to continue at its current level.
- The sales of loans on acquired properties are made on a without-recourse contract basis versus a with-recourse basis since without-recourse loan sales provide less cash at the time of sale.
- A significant lapse occurs in VA's authority to collect a 1-percent funding fee on guaranteed and direct loans.

In addition, unlike the situation in previous years, resources available for transfer from the direct loan fund are limited.

VA's experience with loan sales has demonstrated that loans sold with recourse provide a greater amount of initial cash than those sold without recourse. For example, although either type of sale was considered to have approximately the same long-term financial benefit to VA, VA's financial advisors for the two without-recourse loan sales in fiscal year 1988 (see note 5) estimated that VA would have increased its initial cash proceeds by about \$200 million had the sales been made with recourse agreements. Thus, using recourse contracts for selling loans could have given the loan guaranty fund a substantial amount of additional cash receipts in fiscal year 1988. This would have resulted in the fund's requiring \$200 million less in appropriated funds for that year. Public Law 100-136 precludes VA from making without-recourse sales after

September 30, 1989, unless VA receives an amount equal to the unpaid balance of the loan. Since this restriction will, in effect, make loans sold without recourse unmarketable, VA's fiscal year 1990 budget estimate is predicated on the sale of loans with recourse agreements. However, VA is proposing legislation which would grant the Secretary flexibility to sell loans with or without recourse.

VA assesses a 1-percent funding fee on guaranteed and direct loans under the loan guaranty fund. Although this fee is not intended to fully cover expected losses, it is a significant financing source for the loan guaranty fund. VA's authority to charge this fee expires on September 30, 1989. If the authority is not extended or if it lapses for a period of time, as it did in fiscal year 1988, the loan guaranty fund will lose financing, which will have to be replaced by appropriations. When VA's authorization to collect the 1-percent funding fee lapsed for 6 weeks in fiscal year 1988, VA suffered an estimated \$30 million revenue loss to the loan guaranty fund.



Charles A. Bowsher
Comptroller General
of the United States

April 14, 1989

VETERANS ADMINISTRATION

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 1988 AND 1987**

(Dollars in Thousands)

	1988	(Restated) 1987
ASSETS:		
Fund Balance with U.S. Treasury	\$ 5,377,895	\$ 5,997,027
Imprest Funds	8,989	9,616
Advances, Accounts, and Loans Receivable, net (note 8)	3,096,796	3,211,966
Investments (note 7)	12,651,054	12,242,563
Foreclosed Property Held for Sale	818,833	864,104
Land, Buildings, and Equipment Net of Accumulated Depreciation (note 9)	7,729,963	6,839,263
Other Assets	157,640	151,615
Future Financing Sources (note 1)	\$ 5,812,540	\$ 4,616,267
TOTAL ASSETS	\$ 35,653,710	\$ 33,932,421
LIABILITIES, TRUST FUND BALANCES, AND EQUITY:		
Accounts Payable, Principally to the Public	1,099,294	\$ 1,111,935
Accrued Compensation and Pension Benefits	724,086	1,280,054
Accrued Payroll and Payroll Related Liabilities	1,102,511	1,011,568
Dividends on Credit or Deposit (note 6)	785,238	706,018
Insurance Dividends Payable (note 6)	997,184	956,347
Other Liabilities	423,719	459,879
Liability for Federal Employees Compensation Act (note 1)	1,024,309	944,886
Liability for Losses on Guaranteed Loans (note 5)	3,663,488	2,718,898
Insurance Statutory Reserves (note 6)	11,838,984	11,612,555
Borrowings from Treasury	1,730,078	1,730,078
TOTAL LIABILITIES	23,388,891	22,532,218
TRUST FUND BALANCES	850,297	889,639
EQUITY OF THE U.S. GOVERNMENT:		
Unrealized Appropriations:		
Invested Capital	8,111,422	7,018,461
Deferred Appropriations	275,763	316,365
Unobligated Balances	1,210,724	1,369,786
Undelivered Orders	1,816,613	1,805,952
TOTAL EQUITY OF THE U. S. GOVERNMENT	11,414,522	10,510,564
TOTAL LIABILITIES, TRUST FUND BALANCES, AND EQUITY	\$35,653,710	\$ 33,932,421

The accompanying notes are an integral part of these statements.
Note 11 includes financial information by major program area.

VETERANS ADMINISTRATION

**CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 1988 AND 1987**

(Dollars in Thousands)

	1988	(Restated) 1987
OPERATING EXPENSES AND DIVIDENDS:		
Expenses by Category:		
Personnel Compensation and Fringe Benefits	\$ 7,515,281	\$ 7,012,709
Veterans Benefits	15,939,277	15,630,956
Claims and Indemnities	3,191,792	3,272,296
Depreciation	412,099	363,477
Supplies and Materials	1,655,902	1,622,952
Contractual Services	1,500,138	1,320,649
Rent, Communications, and Utilities	532,269	516,267
Other	61,176	262,591
Total Operating Expenses	30,807,934	30,001,897
Provisions for Dividends to Policyholders	934,485	928,845
Provisions for Servicemen's Group Life Insurance Reserve	3,416	9,027
	\$31,745,835	\$30,939,769
OPERATING REVENUE AND FINANCING SOURCES:		
Operating Revenues:		
Premium Income	\$ 873,912	\$ 877,756
Interest Income	1,397,700	1,383,742
Loan Origination fees	135,118	340,972
Reimbursements and Other	442,564	395,015
Total Operating Revenue	2,849,294	2,997,485
Financing by Source:		
Appropriations and Financing Sources Realized	27,425,522	26,560,145
Funds to be Provided by Future Financing Sources	1,196,272	1,149,033
Transfers, Reimbursements, and Other	274,747	233,106
Total Financing Sources	28,896,541	27,942,284
	\$31,745,835	\$30,939,769

The accompanying notes are an integral part of this statement.
Note 11 includes financial information by major program area.

VETERANS ADMINISTRATION

**CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL
POSITION AND RECONCILIATION TO BUDGET
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 1988 AND 1987
(Dollars in Thousands)**

	1988	(Restated) 1987
NET USE OF RESOURCES:		
Operating Expenses	\$ 30,807,934	\$ 30,001,897
Items Requiring (Providing) Funds:		
Increase in Future Liability Provisions	(1,250,442)	(1,301,221)
Depreciation	(412,099)	(363,477)
Decrease in Accounts Receivable	(91,778)	(420,471)
Decrease (Increase) in Accounts Payable and Accruals	186,200	(274,715)
Revenues Accounted for as Offsetting Collections	(2,142,762)	(2,263,283)
Funds Used By Operations	27,097,053	25,378,730
Non-Operating Uses:		
Dividends (note 6)	952,507	927,500
Acquisitions of Land, Buildings, and Equipment	1,090,664	969,993
Purchase of Foreclosed Property Held for Sale	1,630,545	1,380,338
Issuance and Repurchase of Loans and Liens	1,174,472	1,327,375
Other, Net	(23,441)	(98,328)
Financing Activities:		
Sale of Foreclosed Property Held for Sale	(1,661,608)	(1,482,928)
Sale of Loans, with Recourse	(296,683)	(849,196)
Loan/Lien Repayments/Optional Income Settlements	(353,607)	(372,900)
Revenues Collected for Treasury	(338,924)	(228,546)
NET USE OF BUDGETARY RESOURCES (OUTLAYS)	29,270,978	26,952,038
SOURCES OF BUDGETARY RESOURCES PROVIDED		
Current Year Appropriation, Adjusted	28,363,176	26,605,398
Contract Authority and Reappropriation	(121,192)	
Proceeds of Loan Sales With Recourse	389,259	
Interest on Government Securities	998,165	964,383
Net Transfers, Reimbursements, and Other	(382,838)	(165,973)
Funds Returned to Treasury	(183,882)	(170,226)
TOTAL RESOURCES PROVIDED	29,062,688	27,233,582
INCREASE (DECREASE) IN U.S. TREASURY AND IMPREST FUNDS		
Funds Exchanged for U.S. Government Securities	(208,290)	281,544
	(411,469)	(433,094)
NET DECREASE IN U.S. TREASURY AND IMPREST FUNDS	(619,759)	(151,550)
U.S. TREASURY AND IMPREST FUNDS:		
Beginning of Year	6,006,643	6,158,193
End of Year	\$ 5,386,884	\$ 6,006,643

The accompanying notes are an integral part of this statement.
Note 11 includes financial information by major program area.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Entity and Basis of Consolidation

In fulfilling its mission to provide veterans with care, support, and recognition, the Veterans Administration maintains 15 general funds, 11 revolving funds, 5 trust funds, 5 deposit funds, and 5 clearing accounts. The financial activities of these funds have been classified into the following functional areas: Medical and Construction; Veterans Benefits (compensation, pension, education, and other benefits); Housing Credit Assistance; Life Insurance; and Administration. Some of the trust and revolving fund activities for the insurance and housing credit assistance programs are augmented by budget appropriations.

The consolidated financial statements account for all funds for which the VA is responsible and are presented on the accrual basis of accounting as required by the GAO Policy and Procedures Manual for Guidance of Federal Agencies (Title 2). All significant intra-agency balances and transactions have been eliminated in consolidation.

Recognition of Financing Sources

The current congressional budgetary process under which VA operates does not distinguish between capital and operating expenditures. For budgetary purposes, both are recognized as a use of budgetary resources (outlays) as paid. For financial reporting purposes under accrual accounting, however, operating expenses are recognized currently while expenditures for capital and other long-term assets are capitalized and are not recognized as expenses until they are consumed in the VA's operations. Financing sources for these expenses, which derive both from current and prior year appropriations and operations, are recognized on this same basis. The consolidated statement of changes in financial position and reconciliation to budget presents a reconciliation of operating expenses on an accrual basis with budgetary expenditures.

For certain accrued expenses (e.g., annual leave earned but not taken, insurance premiums for disabled veterans funded by appropriations, and losses on guaranteed loans), current or prior year appropriations are not available to fund the expenses. However, such expenses are customarily financed (funds appropriated, or for a portion of the loan losses, revenues received) in the year payment is required. An amount due from future financing sources is therefore recognized in operations each year for the year's accrued amount of such expenses. The cumulative amount of these accruals is reflected on the consolidated statement of financial position as an asset, future financing sources. The total amount of the future financing sources account is also reflected in the liability section of this statement as part of various liability accounts.

Operating Revenue And Other Financing Sources Recognition

Interest income, which is earned primarily from the investments of the insurance program, is recognized on the accrual basis. Insurance premiums are recognized as revenue when due. Loan origination fees, which are charged to veterans at a rate of 1 percent of the loan principal, are recognized as revenues at the time of the guaranty.

Funds With U.S. Treasury

VA does not maintain cash in commercial bank accounts. Cash receipts and disbursements are processed by the U.S. Treasury. The balance in the U.S. Treasury represents the right to draw on the U.S. Treasury for allowable expenditures.

Commitments

VA has obligations remaining at the end of each year for goods and services which have been ordered but not yet received (undelivered orders). Aggregate undelivered orders amounted to \$1,816,613,000 and \$1,805,952,000 at September 30, 1988 and 1987, respectively. Of these amounts, \$1,011,475,000 in 1988 and \$960,440,000 in 1987 related to construction projects of both long- and short-term duration. The remainder is principally comprised of obligations for medical supplies and equipment which were incurred by VA in the normal course of fulfilling its mission.

Property and Equipment

The majority of the reported property represents facilities and equipment used to provide medical care to veterans. Property and equipment, including transfers from other Federal agencies, are valued at cost. Expenditures for major additions, replacements, and alterations are capitalized. Routine maintenance is recognized as an expense when incurred. Costs of construction are capitalized as Construction in Progress until completed and then transferred to the appropriate property account.

Buildings are depreciated using the straight line method over estimated useful lives ranging from 25 to 40 years, based upon the American Hospital Association's estimate of useful lives of hospital assets. Equipment is depreciated using the straight line method over useful lives, which, for most equipment, range from 5 to 20 years.

Accrued Compensation and Pension Benefits

Compensation and pension benefits are accrued when veterans have satisfied the VA's eligibility criteria. This accrual only pertains to benefits due and payable in a particular fiscal year. See note 4 for a description of the VA's future liability under its compensation and pension program.

Losses on Guaranteed Loans

Upon foreclosure of a guaranteed loan, the VA may be required to pay the maximum claim, acquire the property, or acquire the property and pay less than the maximum claim pursuant to criteria established in Section 1816 of Title 38, United States Code. Thus, when the VA acquires the property, the cost is comprised of the claimed amount paid the lender less net proceeds from the sale of the property. The VA incurs an additional cost for direct home (vendee) loans, issued upon the sale of foreclosed properties, that subsequently default.

Estimated losses on anticipated defaults of guaranteed loans are recorded as expenses when the loans are guaranteed. Simultaneously a liability provision is established, representing the estimated cost of defaults for those guaranteed loans which experience indicates will default in the future. A portion of this provision is subsequently reclassified as a reduction: (1) to direct home loans receivable when such loans are issued (see Note 8); (2) of foreclosed property held for sale when property is acquired, in order to record such property at its net realizable value; and (3) to investments in subordinate securities to reflect the estimated loss of principal for the securities due to their subservient position. This remainder of the provision for loan losses is classified as a liability for future loan losses.

Annual, Sick, and Other Types of Leave

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. At least once per year, the balance in the accrued annual leave account is adjusted to reflect current pay rates of cumulative annual leave earned, but not taken. Sick and other types of leave are expensed as taken.

Insurance Program Liabilities

Insurance program liabilities are recorded for unpaid claims in process, for an experience-based estimate of claims incurred but not reported, and for incurred death and permanent disability installment claims. These liabilities are included in accounts payable.

Dividends Payable

Dividends from the VA's insurance programs are recorded as a liability when declared by the Administrator of Veterans Affairs. Dividends are normally declared when fund balances are in excess of statutorily required insurance claim reserves.

Trust Fund Balances

Trust fund balances are comprised of the Post-Vietnam Educational Assistance Trust Fund, Insurance Trust funds, and the General Post Fund. These funds are accounted for separately and can be used only for specified purposes. They are not available to fund general purpose governmental activities and thus are excluded from VA's equity accounts.

Invested Capital

Invested Capital includes VA's investment in plant, property, and equipment.

Deferred Appropriations

Deferred appropriations include certain accounts receivable for which outlay authority is not available until collection.

Workers Compensation

Legal actions brought by employees of the VA for on-the-job injuries fall under the Federal Employees Compensation Act (FECA), administered by the Department of Labor (DOL). DOL bills each agency annually as its claims are paid; however, payment on these bills is deferred two years so they may be funded through the budget process. Using actuarial estimates provided by the Department of Labor, VA has recorded FECA liabilities for balances billed to VA by DOL and for an estimate of the present value of the long-term payments related to cases on hand at the end of the fiscal year.

NOTE 2: INTRAGOVERNMENTAL FINANCIAL ACTIVITIES

The VA's financial activities interact with and are dependent upon those of the Federal Government as a whole. Thus, VA's financial statements do not reflect the results of all financial decisions and activities applicable to it, as if it were a stand-alone entity.

- o The VA's consolidated financial statements are not intended to report the Agency's proportionate share of the Federal deficit or of public borrowing, including interest thereon. Financing for budget appropriations reported on the VA's statement of operations could derive from tax revenues or public borrowing or both; the ultimate source of this financing, whether it be tax revenues or public borrowing, has not been specifically allocated to the VA.
- o Financing for major and minor construction projects was obtained through budget appropriations. To the extent this financing was derived from public borrowing, no interest has been capitalized since such borrowings are recorded in total by the Department of the Treasury and are not allocated to individual departments and agencies.
- o Since the U.S. Treasury Department does not charge agencies interest on borrowings from the Treasury, VA does not recognize interest costs related to foreclosed property in its financial records. In fiscal year 1988, VA held foreclosed properties an average of 6.9 months. Based on this estimate and the average interest rate for the public debt (8.8 percent), the holding costs associated with the foreclosed property held for sale were approximately \$65 million in fiscal year 1988.
- o VA's Housing Credit Assistance program has a liability to the U.S. Treasury of \$1.7 billion. These funds were originally provided to support the direct loan fund, but were subsequently transferred to the loan guaranty fund and have since been fully used. The liability which is owed by the Direct Loan Fund bears no interest or specific payment date, and VA's ability to pay it is contingent upon receiving other financing.
- o During fiscal year 1988, many of the VA's employees still participated in the contributory Civil Service Retirement System (CSRS), to which VA makes matching contributions. The VA does not, however, report CSRS assets, accumulated plan benefits, or unfunded liabilities, if any, applicable to its employees since this data is only reported in total by the Office of Personnel Management.
- o On January 1, 1987, the new Federal Employees Retirement System (FERS) went into effect pursuant to Public Law 99-335. Employees hired after December 31, 1983, are automatically covered by FERS while employees hired prior thereto elected to either join FERS or remain in CSRS. One of the primary differences between FERS and CSRS is that FERS offers a savings plan to which VA will automatically contribute 1 percent of pay and then match employee contributions up to an additional 4 percent of basic pay.

Employees participating in FERS are also covered under the Federal Insurance Contributions Act (FICA) for which VA contributes an employer's matching amount to the Social Security Administration.

VA's total contributions for CSRS and FERS participants, including contributions to Social Security, during fiscal year 1988 and fiscal year 1987 were as follows:

	1988	1987
CSRS	\$274,869,684	\$306,844,931
FERS	227,139,124	132,990,446
FICA	120,831,572	104,309,122
Total VA Contributions	<u>\$622,840,380</u>	<u>\$544,144,499</u>

While VA has no liability for future payments to employees under these programs, the Federal Government is liable for future payments to employees through the various agencies administering the programs.

- o Certain legal matters to which VA may be a named party are administered and, in some instances, litigated and paid by other Federal agencies. These primarily relate to allegations of medical malpractice but also include other tort claims and contract disputes. Generally, amounts (over \$2,500 for Federal Tort Claims Act cases) to be paid under any decision, settlement, or award pertaining to these litigations are funded from a special appropriation called the Judgment Fund that is maintained on deposit with the Department of Treasury. Since VA, is not required to reimburse the Judgment Fund for payments made on its behalf, except for contract dispute payments, the amount of payments from the Fund for VA are not reflected in VA's statements. Amounts paid from the Judgment Fund on behalf of VA were \$35 million and \$30 million in fiscal years 1988 and 1987, respectively. Amounts reimbursed the Judgment Fund by VA for contract dispute payments were not material.

NOTE 3: RESTATEMENT OF FISCAL YEAR 1987 STATEMENTS

The fiscal year 1987 consolidated statement of financial position and consolidated statement of operations and changes in financial position and reconciliation to budget have been restated to revise VA's liability for workers' compensation benefits, based on an actuarial evaluation of the long-term liability for FECA. In total, this change has increased the asset future financing sources and the liability for Federal Employees Compensation Act by \$521,159,000.

NOTE 4: FUTURE LIABILITY FOR COMPENSATION AND PENSION

Veterans or their dependents receive compensation benefits if the veteran was disabled or died from military service-connected causes. War veterans or their dependents receive pension benefits if the veteran was disabled or died from nonservice-connected causes or is age 65 or older. Certain pension benefits are subject to specific income limitations.

The compensation and pension benefits for fiscal years 1988 and 1987 were:

<u>Fiscal Year</u>	<u>Compensation</u>	<u>Pension</u>
1988	\$10,864,549,000	\$3,825,700,000
1987	\$10,513,080,000	\$3,792,945,000

The VA has a future liability for benefits expected to be paid in future fiscal years to veterans and, if applicable, their survivors who have met or are expected to meet defined eligibility criteria. The future liability of the compensation and pension programs is not currently funded, nor is there any intent to do so. Rather, payments for benefits that become due in a particular fiscal year are financed from that year's appropriation; in effect, on a pay-as-you-go basis. Payments of the future liability as it becomes due rely on congressional authorization of future tax revenues or other methods, such as public borrowing, for their financing.

The future liability for compensation and pension benefits represents the present value, using an 8.8 percent discount rate, of projected annual benefit payments. Projected benefit payments were based on assumed cost-of-living increases ranging from 2.6 percent to 4.0 percent for 1989 - 1993 and 2.1 percent to 4.0 percent thereafter. In addition, the mortality and accession rates used were based on trends in the current veteran population.

This calculation was not based on an independent actuarial study, and thus there is a risk that the assumptions and methods underlying it may not be reflective of actual economic and demographic trends affecting veterans.

The present value of the estimated future liability for compensation and pension benefits payable for the next five fiscal years and thereafter is as follows (dollars in thousands):

1989	\$ 13,976,946
1990	12,825,548
1991	11,759,406
1992	10,776,884
1993	9,863,119
Thereafter	80,686,716
TOTAL	<u>\$139,888,619</u>

No liability for compensation and pension benefits has been included in the accompanying consolidated statement of financial position.

NOTE 5: HOUSING CREDIT ASSISTANCE PROGRAM - COST OF GUARANTEED LOAN DEFAULTS

Activities under the VA housing credit assistance program primarily involve the partial guaranty of residential mortgage loans issued to eligible veterans by private lenders. In addition, the VA originates direct loans to veterans, sells foreclosed property on credit terms (vendee loans), and monitors foreclosure settlements for ultimate claims reimbursement to the VA.

Residential loans guaranteed by the VA are originated by private lenders and are not recorded in the financial statements of the VA. The face amount of such loans outstanding as of September 30, 1988 and 1987, was \$150 billion and \$146 billion respectively, and the guaranteed amount of outstanding loans at September 30, 1988 and 1987 was approximately \$60 billion on each date. The guaranty, in effect, transfers some or all of the risk of default from the lender to the VA. At the time of default, the VA has the option to either pay the guarantee amount or pay a reduced amount and acquire the property from the lender. VA assumes this risk to provide a benefit to the veteran who obtains a mortgage with interest rates which are usually lower than conventional mortgage rates and without a normally required downpayment.

Vendee and Direct Loans

The total amount of vendee loans and loans of the direct loan program as of September 30, 1988 and 1987, was (dollars in thousands):

	<u>1988</u>	<u>1987</u>
Vendee loans	\$1,056,100	\$1,158,681
Direct loans	<u>77,372</u>	<u>98,100</u>
	<u>\$1,133,472</u>	<u>\$1,256,781</u>

Provision for Losses

One element of the cost of the mortgage loan benefit that VA provides to veterans is the present value of the cost VA will bear as loans already guaranteed default in the future. This cost is reflected in the financial statements as a liability for losses on guaranteed loans and as an offset to the value of certain related assets. The unfunded portion of this liability is also reported in the consolidated statement of financial position as an amount due from future financing sources.

The provision for losses on guaranteed loans is based upon historical loan foreclosure results applied to the average loss on defaulted loans. The provision calculation is also based on the use of the average interest rate of U.S. interest-bearing debt as a discount rate and the assumption that VA's outstanding guaranteed loans will default over a nine-year period as follows (dollars in thousands):

1989	\$ 987,042
1990	959,279
1991	720,593
1992	486,115
1993	365,313
1994-97	<u>491,128</u>
	<u>\$4,009,470</u>

The discount rate used in the computation was 8.8% for 1988 and 8.7% for 1987.

The components of the provisions are as follows:

	<u>Year ended September 30</u>	
	(In thousands)	
	<u>1988</u>	<u>1987</u>
Offsets against loans receivable	\$ 156,077	\$ 133,088
Offsets against foreclosed property held for sale	144,081	101,616
Offset against investments	45,824	-
Liability for losses on guaranteed loans	<u>3,663,488</u>	<u>2,718,898</u>
	<u>\$4,009,470</u>	<u>\$2,953,602</u>

Impact of Provision on Future Appropriations

The projected cost of guaranteed loan defaults will not necessarily reflect VA's future appropriation requests over the next nine years, since those requests will also include anticipated inflows and the outflows of resources for non-operating uses such as for transfers, purchases and sales of property, and issuances and repayments of loans, sale of loans, and the receipt of the 1% funding fee.

To the extent revolving fund revenues are not sufficient to fund future costs, then financing will have to be obtained from future appropriations or other congressionally approved sources.

Recourse loan sales

During 1988, the VA sold approximately \$379 million of loans with recourse marketing agreements for \$365 million. Under the terms of the agreements, the VA will repurchase the loans sold if default occurs. Any losses from defaults of repurchased loans are borne by the VA. The VA has estimated the potential loss based upon historical data and has recorded this amount as a component of the provision for loan losses at September 30, 1988.

Non-recourse loan sales

During fiscal 1988, the VA conducted two non-recourse loan sales. The components of the sales are summarized as follows (in thousands):

	<u>American Housing Trust I</u>	<u>American Housing Trust II</u>	<u>Total</u>
Loans receivable sold	<u>\$308,937</u>	<u>\$234,346</u>	<u>\$543,283</u>
Proceeds from Sale:			
Cash*	185,557	134,284	319,841
Investment in subordinated certificates of securities	<u>105,059</u> <u>290,616</u>	<u>91,391</u> <u>225,675</u>	<u>196,450</u> <u>516,291</u>
Loss on loans receivable sold	<u>\$ 18,321</u>	<u>\$ 8,671</u>	<u>\$ 26,992</u>

*Information presented does not reflect the transaction expenses incurred to sell the loans.

American Housing Trust I

On June 29, 1988, the VA completed its first sale of non-recourse loans to the American Housing Trust I (AHT I). Under the terms of the sale, the VA sold approximately \$309 million of its vendee loans to AHT I, who in turn, sold the loans as mortgage pass-through certificates. The mortgage pass-through certificates consisted of seven senior classes of certificates which were offered to the public and subordinate certificates which were assigned to the VA as partial proceeds from the sale of the loans. The face value of the subordinate certificates at the time of sale was approximately \$105 million. Interest and principal payments on the senior certificates are guaranteed by American Loan Guarantee Association. Under the securities structure, principal and interest payments to the VA are subordinate to the senior certificate holders.

American Housing Trust II

On September 23, 1988, the VA completed its second sale of non-recourse loans. Under the terms of the sale, approximately \$234 million of loans receivable were sold to the American Housing Trust II (AHT II). AHT II then sold the loans as mortgage pass-through certificates. The mortgage pass-through certificates consisted of two senior classes of certificates which were offered to the public and subordinate certificates which were assigned to the VA as partial proceeds from the sale of the loans.

The face value of the subordinate certificates at the time of sale was approximately \$91 million. Interest and principal payments on the senior certificates are guaranteed by American Loan Guarantee Association. Under the securities structure, principal and interest payments to the VA are subordinate to the senior certificate holders.

Offset for losses on investments

At September 30, 1988, an allowance has been recorded to reflect the estimated loss of principal as a result of the subordinate position. The estimated allowance computation was based upon historical loan defaults. At September 30, 1988, the net investment balances are as follows:

	<u>American Housing Trust I</u>	<u>American Housing Trust II</u> (In thousands)	<u>Total</u>
Investment in subordinated certificates of securities	\$105,059	\$91,391	\$196,450
Allocation of loss provision	<u>18,788</u>	<u>27,036</u>	<u>45,824</u>
Net Investment	<u>\$ 86,271</u>	<u>\$64,356</u>	<u>\$150,627</u>

At September 30, 1988, the investments are carried at cost, adjusted for the estimated foreclosures, as the fair market value cannot be determined.

Foreclosed property held for sale

The VA acquires property from homeowners who default on guaranteed or vendee loans. An allowance for losses has been recorded based on historical loss data, as follows:

Year Ended September 30

	<u>1988</u>	<u>1987</u>
	<u>(In thousands)</u>	
Foreclosed property held for sale	\$962,914	\$965,720
Allocation of loss provision	<u>144,081</u>	<u>101,616</u>
Net	<u>\$818,833</u>	<u>\$864,104</u>

Guarantee Commitments

At September 30, 1988, the VA had outstanding commitments to guarantee loans, which will originate in fiscal year 1989. The number of commitments could not be determined, as the VA has granted authority to various lenders to originate VA loans meeting established criteria without prior VA approval.

Participation Certificates

During fiscal year 1988, the final series of Federal Asset Financing Trust (FAFT) Participation Certificates (PCs) matured. A final principal payment of \$146 million was made to the sinking fund administered by the Government National Mortgage Association (GNMA), in order to end VA's involvement in the Participation Sales Act of 1966 (P. L. 89-429). This payment had been included in Other Liabilities in the September 30, 1987 Consolidated Statement of Financial Position.

Over the life of FAFT, VA transferred interest payments to GNMA for coverage of the periodic interest payments on the PCs. GNMA invested excess funds not needed to meet current interest payments on behalf of the VA. The balance associated with this investment at September 30, 1987, was \$155 million. When the final series matured in August 1988, VA received \$165 million from GNMA as their share of interest income to the investment.

Subsequent Event - Supplemental Appropriation Request

Presently, the high level of foreclosures resulting in increased cash outlays in property acquisition and claim costs has severely strained the revolving fund resources. VA requested a supplemental appropriation for an increase of \$130 million for the loan guaranty revolving fund which will bring the total fiscal year 1989 appropriation to \$788 million. A continuing high rate of foreclosures on VA-guaranteed mortgages may require additional supplemental appropriations in future years.

NOTE 6: INSURANCE PROGRAMS

The Veterans Administration administers the following life insurance programs which provide permanent (whole life) and term coverage: National Service Life Insurance (NSLI); United States Government Life Insurance (USGLI); Veterans Special Life Insurance (VSLI); Veterans Reopened Insurance (VRI); and Service-Disabled Veterans Insurance (SDVI). Data on insurance in force for each of these programs is as follows:

Insurance in Force
As of September 30, 1988 and 1987

Program	Number of Policies	(Thousands)	Amount of Insurance	(Millions)	Principal Veterans Group Covered
	1988	1987	1988	1987	
NSLI	2,824	2,913	\$21,317	\$21,647	WW II
USGLI	48	53	178	199	WW I
VSLI	327	341	2,989	3,075	Korea
VRI	127	130	869	891	WW II/Korea
SDVI	176	180	1,599	1,632	WWII/Korea/Vietnam
Total	3,502	3,617	\$26,952	\$27,444	

Insurance Reserves

The insurance reserves as reflected in the financial statements were determined based on assumptions prescribed by Federal statutes. Thus, the reserves are based on statutory standards and are called statutory insurance reserves. The reserves consist of the actuarial computation of the present value of amounts that will be necessary to pay guaranteed policy and participating policyholders' benefits in the future as policyholders or their beneficiaries make benefit claims or dividends are declared. The two most important factors used to compute these reserves are assumed investment yields and mortality rates, both of which are prescribed by Federal statutes. The statutory standards were designed to insure the solvency and equity of the insurance program for the policyholders.

The statutory insurance reserve balance as of September 30, 1988, consists of reserves for:

<u>Program</u>	<u>Death Benefits</u>	<u>Death Benefit Annuities</u>	<u>Disability Income and Waiver of Premium</u>	<u>Other</u>	<u>1988 Statutory Reserve Total</u>
(dollars in thousands)					
NSLI	\$8,311,932	\$432,333	\$ 836,172	\$190,874	\$ 9,771,311
USGLI	144,998	28,697	2,234	1,090	177,019
VSLI	904,089	3,484	119,481	3,362	1,030,416
SDVI	266,395	2,294	148,269		416,958
VRI	<u>414,978</u>	<u>1,289</u>	<u>27,013</u>		<u>443,280</u>
TOTAL	<u>\$10,042,392</u>	<u>\$468,097</u>	<u>\$1,133,169</u>	<u>\$195,326</u>	<u>\$11,838,984</u>

The statutory insurance reserve balance as of September 30, 1987, consists of reserves for:

<u>Program</u>	<u>Death Benefits</u>	<u>Death Benefit Annuities</u>	<u>Disability Income and Waiver of Premium</u>	<u>Other</u>	<u>1987 Statutory Reserve Total</u>
(dollars in thousands)					
NSLI	\$8,082,269	\$465,070	\$ 880,877	\$162,394	\$ 9,590,610
USGLI	162,411	32,149	2,496	1,220	198,276
VSLI	848,576	3,445	120,334	1,325	973,680
SDVI	257,854	2,299	148,462		408,615
VRI	<u>411,939</u>	<u>1,251</u>	<u>28,184</u>		<u>441,374</u>
TOTAL	<u>\$9,763,049</u>	<u>\$504,214</u>	<u>\$1,180,353</u>	<u>\$164,939</u>	<u>\$11,612,555</u>

These statutorily computed reserves for death benefits differ from those computed under generally accepted accounting principles (GAAP) for Federal agencies (title 2). Under GAAP, reserves are computed based on recent mortality experience and on interest assumptions that are expected to hold true for at least the next 10 years. As a result, the classified "insurance reserves" under GAAP are lower than "insurance reserves" computed using statutory assumptions. The difference in statutory and GAAP basic insurance reserves represents future benefits (dividends) that inure to program participants based on statutory requirements and practices.

Accordingly, it is called Participating Policyholders' Interest in Accumulated Participating Earnings (Participating Policyholders' Interest) and, if the reserves were presented on the financial statements on the GAAP basis, this difference would appear as a separate line item in the liability section of the Consolidated Statement of Financial Position. However, although the amount represents payables to participating policyholders, it cannot be fully disbursed on a current basis without seriously affecting the statutory solvency requirements of the insurance programs. The Schedule of Expenses, Dividends, Revenues, and Financing Sources would be affected if the statutory reserves were replaced by GAAP reserves. The effect would be to increase operating expenses by \$103 million in 1988.

The GAAP insurance reserve balances and Participating Policyholders' Interest as of September 30, 1988, are shown below:

<u>Program</u>	<u>Death Benefits</u>	<u>Death Benefit Annuities</u>	<u>Disability Income and Waiver of Premium</u>	<u>Other</u>	<u>1988 GAAP Reserve Total</u>	<u>Participating Policyholders Interest</u>
(dollars in thousands)						
NSLI	\$5,915,734	\$432,333	\$ 836,172	\$190,874	\$7,375,113	\$2,504,541
USGLI	103,629	28,697	2,234	1,090	135,650	46,896
VSLI	534,224	3,484	119,481	3,362	660,551	416,462
SDVI	266,395	2,294	148,269		416,958	
VRI	<u>273,744</u>	<u>1,289</u>	<u>27,013</u>		<u>302,046</u>	<u>160,660</u>
TOTAL	<u>\$7,093,726</u>	<u>\$468,097</u>	<u>\$1,133,169</u>	<u>\$195,326</u>	<u>\$8,890,318</u>	<u>\$3,128,559</u>

The GAAP insurance reserve balances and Participating Policyholders' Interest as of September 30, 1987, are shown below:

<u>Program</u>	<u>Death Benefits</u>	<u>Death Benefit Annuities</u>	<u>Disability Income and Waiver of Premium</u>	<u>Other</u>	<u>1987 GAAP Reserve Total</u>	<u>Participating Policyholders Interest</u>
(dollars in thousands)						
NSLI	\$5,601,202	\$465,070	\$ 880,877	\$162,394	\$7,109,543	\$ 2,594,514
USGLI	100,086	32,149	2,496	1,220	135,951	67,785
VSLI	480,804	3,445	120,334	1,325	605,908	417,715
SDVI	257,854	2,299	148,462		408,615	
VRI	<u>271,386</u>	<u>1,251</u>	<u>28,184</u>		<u>300,821</u>	<u>162,184</u>
TOTAL	<u>\$6,711,332</u>	<u>\$504,214</u>	<u>\$1,180,353</u>	<u>\$164,939</u>	<u>\$8,560,838</u>	<u>\$3,242,198</u>

Statutory reserves are based on interest rates ranging from 2.3 percent to 4.5 percent. GAAP reserves are based on interest rate assumptions ranging from 7 percent to 8.5 percent. Actual average investment yield for insurance program securities was 9.67 percent as of September 30, 1988, and 9.58 percent as of September 30, 1987.

Statutory mortality assumptions include the American Experience Table, the 1941 CSO Table, and the 1958 CSO Basic Table. GAAP mortality assumptions are based on actual mortality experience of the insurance programs, with a provision for adverse deviation.

Certain premium items are also accounted for differently under Statutory and GAAP principles. Statutorily, a liability is set up for unearned premiums and advance premiums. Under GAAP, the liability for these items is reduced. A comparison is provided below:

Unearned Premium Reserve and Advance Premium
(dollars in thousands)

<u>Program</u>	<u>9/30/88</u>		<u>9/30/87</u>	
	<u>Statutory</u>	<u>GAAP</u>	<u>Statutory</u>	<u>GAAP</u>
NSLI	\$106,344	\$43,358	\$105,487	\$48,111
USGLI	21	21	23	23
VSLI	23,930	10,051	23,341	11,347
SDVI	1,364	1,364	1,447	1,447
VRI	<u>3,558</u>	<u>2,831</u>	<u>3,487</u>	<u>2,638</u>
Total	<u>\$135,217</u>	<u>\$57,625</u>	<u>\$133,785</u>	<u>\$63,566</u>

Under statutory principles, an asset is set up for uncollected premiums. Under GAAP, this asset is reduced. A comparison is provided below:

Uncollected Premiums
(dollars in thousands)

<u>Program</u>	<u>9/30/88</u>		<u>9/30/87</u>	
	<u>Statutory</u>	<u>GAAP</u>	<u>Statutory</u>	<u>GAAP</u>
NSLI	\$2,176	\$ 903	\$2,292	\$ 933
VSLI	466	196	447	202
SDVI	90	90	91	91
VRI	<u>46</u>	<u>36</u>	<u>47</u>	<u>35</u>
Total	<u>\$2,778</u>	<u>\$1,225</u>	<u>\$2,877</u>	<u>\$1,261</u>

Policy Dividends

The VA Administrator annually determines the excess funds available for dividend payment. Dividends to be paid are based on an actuarial analysis of the individual programs as of the end of the preceding calendar year. Dividends are declared on a calendar year basis and are paid on policy anniversary dates. Policyholders may receive them in cash, use them to pay premiums in advance, repay loans, purchase paid-up insurance, or place them in an interest-bearing account.

Dividends payable shown in the Schedule of Assets, Liabilities, and Equity represent the amount of dividends potentially payable in the next 12 months. Dividends shown in the Schedule of Sources and Uses of Resources and Reconciliation to Budget represent the amount of dividends paid in the last 12 months. Dividends to policyholders shown in the Schedule of Expenses, Dividends, Revenue, and Financing Sources represent the amount of dividends paid in the preceding 12 months and the change in the trust fund balances.

Dividends paid during fiscal years 1988 and 1987 were as follows:

<u>Program</u>	<u>Dividends Paid</u>	
	<u>1988</u>	<u>1987</u>
	(In Thousands)	
NSLI	\$823,485	\$804,878
USGLI	12,132	13,554
VSLI	83,769	76,033
VRI	33,121	33,035
TOTAL	<u>\$952,507</u>	<u>\$927,500</u>

The payment of termination dividends in the VRI program began in 1985, in order to ensure that terminating insureds receive an equitable share of surplus. Termination dividends amounted to approximately \$250,000 in 1988 and \$300,000 in 1987.

Insurance Cash Surrender Value

All whole life policies build cash surrender values equal to policy reserves plus any dividends held on account. Policyholders may borrow up to 94 percent of the cash surrender value or use it to purchase reduced paid-up insurance.

VA Supervised Insurance Programs

VA also supervises the administration of the Servicemen's Group Life Insurance Program (SGLI). SGLI is supervised by the VA, but directly administered by the Prudential Life Insurance Company of America which provides group life insurance coverage and pays all claims and expenses associated with the program. This coverage is provided to active members of the Military Services, to cadets attending service academies, and to active members of the Armed Forces Reserves, National Guard, and ROTC.

VA's responsibilities are to establish premium rates and to act as the transfer agent for premiums paid by payroll deductions and for extra hazard costs paid by the service organizations involved. The VA also determines the adequacy of SGLI insurance reserves, and, if excess reserves exist, VA can both lower premium rates and withdraw excess funds. To date, VA has withdrawn approximately \$94 million from these reserves. These funds, together with investment interest earned, are held in a trust fund which on September 30, 1988, had a balance of \$148.1 million. On September 30, 1987, this balance was \$144.9 million. This balance is used as a premium stabilization fund to augment premium payments remitted by the insureds.

<u>SGLI Insurance In Force</u>	<u>1988</u>	<u>1987</u>
Number of Policies	3,509,029	3,540,376
Amount (in millions)	\$174,537.1	\$176,065.8

In addition to SGLI, VA administers a similar program, Veterans Group Life Insurance, which provides life insurance to discharged veterans.

VA Administered Insurance Program

Effective September 1, 1988, VA commenced direct administration versus supervision of the Veterans' Mortgage Life Insurance program (VMLI). Under this program, disabled veterans can obtain insurance coverage of up to \$40,000 of the outstanding balance of their home mortgage. Coverage ceases at age 70. Premiums, based on standard mortality tables, are deducted from the veteran's monthly compensation payment. Administrative expenses and the additional cost of insuring these medically impaired lives are borne by the Government through appropriations.

<u>VMLI Insurance in Force</u>	<u>1988</u>	<u>1987</u>
Number of Policies	5,416	5,539
Amount (in millions)	\$185.5	\$182.7

Insurance Administrative Expenses

Except for the SGLI and VRI programs, administrative costs are not charged to VA life insurance programs. Administrative costs charged the SGLI program were \$306,000 and \$334,000 in 1988 and 1987 respectively. Administrative costs charged the VRI program were \$1,304,000 in 1988 and \$1,316,000 in 1987. Administrative costs for the other insurance programs borne by VA appropriations were \$26,234,000 in 1988 and \$26,515,000 in 1987.

NOTE 7: INVESTMENTS

Insurance program investments, which comprise most of VA's investments, are in non-marketable U.S. Treasury special bonds and certificates and, to a lesser degree, in Government National Mortgage Association participation certificates in fiscal year 1987. Interest rates for Treasury special securities are based on average market yields for similar Treasury issues. The special bonds, which mature during various years through 2003, are generally held to maturity unless needed to finance insurance claims and dividends. The certificates are short-term in nature and are either redeemed or replaced at maturity depending upon the cash needs of the insurance program. At September 30, 1988, investment securities consist of:

<u>Security</u>	<u>Interest Range</u>	<u>Insurance Programs</u>	<u>Other Programs</u>	<u>Total</u>
(dollars in thousands)				
Special Bonds	5.875-13.75%	\$12,304,372		\$12,304,372
Certificates	8.75-10%	140,743		140,743
Bonds	7.875-8.5%		\$ 2,251	2,251
Notes	7.375-14.625%		21,006	21,006
Treasury Bills	6.7-7.5%		32,000	32,000
Other	Various		150,682	150,682
		<u>\$12,445,115</u>	<u>\$205,939</u>	<u>\$12,651,054</u>

At September 30, 1987, investment securities consist of:

<u>Security</u>	<u>Interest Range</u>	<u>Insurance Programs</u>	<u>Other Programs</u>	<u>Total</u>
(dollars in thousands)				
Special Bonds	5.875-13.75%	\$11,737,185		\$11,737,185
Certificates	8.375-10.375%	194,638		194,638
GNMA Certificates	6.2-6.45%	135,000		135,000
Bonds	7.875-8.5%		\$ 2,251	2,251
Notes	10-14.625%		18,743	18,743
Other	Various		154,746	154,746
		<u>\$12,066,823</u>	<u>\$175,740</u>	<u>\$12,242,563</u>

Other VA programs with investments are Housing Credit and Medical. Medical program investments are in securities issued by the U.S. Department of Treasury. Housing Credit program investments are, as of September 30, 1987, in GNMA participation certificates, which were issued by the Government National Mortgage Association, a subdivision of the U.S. Department of Housing and Urban Development. Housing Credit program investments are, as of September 30, 1988, in Trust Certificates which were issued by the American Housing Trust, a private entity not associated in any way with the U.S. Government.

NOTE 8: RECEIVABLES

Non-Federal accounts receivable principally represent amounts due from individuals for Home Loan Guaranty and Direct Loan defaults and Compensation and Pension overpayments. Federal accounts receivable are mostly accrued interest payments due from the U.S. Treasury Department on VA investments. Non-Federal advance payments are principally advances to VA construction contractors, grant recipients, beneficiaries, and VA employees engaged in official travel. Federal advance payments are mostly to the General Services Administration for the procurement of supplies and equipment. Current loans receivable are principally amounts due under VA's Housing Credit Assistance Program. Non-Current loans receivable represent amounts due from loans against VA-issued life insurance policies and also amounts owed VA's Housing Credit Assistance Program beyond the next 12 months.

The receivables as of September 30, 1988, consist of:

	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
<u>Accounts:</u>			
Individuals/Corporations	\$2,913,957	\$ 132	\$2,914,089
Federal Government	368,401	461	368,862
Less: Allowances for Loss	<u>2,463,120</u>		<u>2,463,120</u>
Accounts Receivable, net	<u>819,238</u>	<u>593</u>	<u>819,831</u>
<u>Advances:</u>			
Individuals/Corporations	53,432		53,432
Federal Government	<u>133,660</u>		<u>133,660</u>
Total Advances	<u>187,092</u>		<u>187,092</u>
<u>Loans</u>			
Individuals	616,558	1,644,686	2,261,244
Less: Allowances for Loss	<u>46,727</u>	<u>124,644</u>	<u>171,371</u>
Loans, Net	<u>569,831</u>	<u>1,520,042</u>	<u>2,089,873</u>
Net Receivables	<u>\$1,576,161</u>	<u>\$1,520,635</u>	<u>\$3,096,796</u>

The receivables as of September 30, 1987, consist of:

	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
<u>Accounts:</u>			
Individuals/Corporations	\$2,363,256	\$ 19	\$2,363,275
Federal Government	350,139	480	350,619
Less: Allowances for Loss	<u>1,982,060</u>		<u>1,982,060</u>
Accounts Receivable, net	<u>731,335</u>	<u>499</u>	<u>731,834</u>
<u>Advances:</u>			
Individuals/Corporations	44,933		44,933
Federal Government	<u>110,519</u>		<u>110,519</u>
Total Advances	<u>155,452</u>		<u>155,452</u>
<u>Loans</u>			
Individuals	602,118	1,857,405	2,459,523
Less: Allowances for Loss	<u>33,011</u>	<u>101,832</u>	<u>134,843</u>
Loans, Net	<u>569,107</u>	<u>1,755,573</u>	<u>2,324,680</u>
Net Receivables	<u>\$1,455,894</u>	<u>\$1,756,072</u>	<u>\$3,211,966</u>

NOTE 9: PROPERTY AND EQUIPMENT

The majority of the reported property represents facilities and equipment used to provide medical care to veterans. Property and equipment, including transfers from other Federal agencies, are valued at cost. Expenditures for major additions, replacements, and alterations are capitalized. Routine maintenance is recognized as an expense when incurred. Costs of construction are capitalized as Construction in Progress until completed and then transferred to the appropriate property account.

Buildings are depreciated using the straight line method over estimated useful lives ranging from 25 to 40 years, based upon the American Hospital Association's estimate of useful lives of hospital assets. Equipment is depreciated using the straight line method over useful lives, which, for most equipment, range from 5 to 20 years. Current year depreciation amounted to \$412,100,000 in FY 1988 and \$363,477,000 in FY 1987.

Property and equipment consisted of the following as of September 30, 1988:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
	(dollars in thousands)		
Land	\$ 91,955	\$	\$ 91,955
Buildings	6,201,962	1,888,078	4,313,884
Equipment	3,059,155	1,543,620	1,515,535
Other	802,186	313,077	489,109
Construction in Progress	<u>1,319,480</u>		<u>1,319,480</u>
TOTAL	<u>\$11,474,738</u>	<u>\$3,744,775</u>	<u>\$7,729,963</u>

Property and equipment consisted of the following as of September 30, 1987:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
	(dollars in thousands)		
Land	\$ 85,123	\$	\$ 85,123
Buildings	5,215,825	1,746,422	3,469,403
Equipment	2,786,842	1,649,730	1,137,112
Other	732,127	291,568	440,559
Construction in progress	<u>1,707,066</u>		<u>1,707,066</u>
TOTAL	<u>\$10,526,983</u>	<u>\$3,687,720</u>	<u>\$6,839,263</u>

VA leases facilities, primarily office space and medical facilities, from GSA. These leases are cancelable without penalty. In addition, VA has operating leases with the public for office, data processing, and other equipment. Fiscal year 1988 and fiscal year 1987 rent expense for these leases amount to approximately \$90 million and \$76 million, respectively, from GSA, and \$65 million and \$60 million, respectively, from the public.

NOTE 10: CONTINGENCIES

As previously stated in Note 2, VA is a party in various administrative proceedings, legal actions, and tort claims brought by or against it, primarily relating to allegations of medical malpractice. However, also as stated in Note 2, such legal settlements of tort claims awards in excess of \$2,500 and contract disputes are paid from a Governmentwide Judgment Fund appropriation maintained by the Department of the Treasury, with an agency having to reimburse the Fund for only contract dispute payments.

The VA is involved in several legal actions relating to debts established against veterans whose VA-guaranteed loans were foreclosed judicially. Based on recent conflicting judgments, the VA is unable to estimate the final outcome of the lawsuits.

There is currently pending in the claims court an action alleging VA's failure to comply with the Prompt Payment Act in its property acquisition process. As there is no case law on this issue, the outcome of the litigation cannot be determined at this time.

In the opinion of VA's management and General Counsel, the ultimate resolution of legal actions still pending at September 30, 1988, will not materially affect VA's operations or financial position, especially when consideration is given to the availability of the Judgment Fund appropriation to pay court settled legal cases.

NOTE 11: SUPPLEMENTAL INFORMATION

The following schedules provide further detail, by major program area, of assets, liabilities, and U.S. Government equity; revenue, financing sources, and expenses; sources and uses of funds by major program area; and budgeted and actual outlays.

- o The medical program area includes financial data for the medical care program, including the VA's 172 medical facilities, medical research and administration, and construction. The construction program was included since most of its activities relate to medical facilities.
- o The veterans' benefits area includes the compensation, pension, and education programs, as well as the burial and miscellaneous assistance and veterans' job training programs.
- o Housing credit assistance includes both VA's loan guaranty and direct loan programs.
- o The administration area includes costs of managing the Agency as a whole and the National Cemetery System. Also included are costs of managing the Supply Fund and automated data processing systems.

Personnel compensation and fringe benefits for employees involved in veterans benefits, housing credit assistance, and life insurance have not been allocated to these major program areas and are included in the administration area.

NOTE 11: (CONTINUED)

VETERANS ADMINISTRATION

SCHEDULE OF ASSETS, LIABILITIES, AND EQUITY BY MAJOR PROGRAM
SEPTEMBER 30, 1988
(Dollars in Thousands)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
ASSETS:						
Fund Balance with U.S. Treasury	\$ 3,515,888	\$ 1,213,776	\$ 318,747	\$ 18,328	\$ 311,156	\$ 5,377,895
Imprest Funds	8,989					8,989
Advances, Accounts, and Loans Receivable, Net	325,132	286,020	1,015,793	1,360,603	109,248	3,096,796
Investments	55,257		150,682	12,445,115		12,651,054
Foreclosed Property Held for Sale			818,833			818,833
Land, Buildings, and Equipment Net of Accumulated Depreciation	7,727,083				2,880	7,729,963
Other Assets	23,102				134,538	157,640
Future Financing Sources	1,751,577	87,259	3,450,553	376,717	146,434	5,812,540
TOTAL ASSETS	\$13,407,028	\$ 1,587,055	\$5,754,608	\$14,200,763	\$ 704,256	\$35,653,710
LIABILITIES, TRUST FUND BALANCES, AND EQUITY:						
LIABILITIES:						
Accounts Payable, Principally to the Public	\$ 622,831	\$ 44	\$ 103,351	\$ 172,447	\$ 200,621	\$ 1,099,294
Accrued Compensation and Pension Benefits		724,086				724,086
Accrued Payroll and Payroll Related Liabilities	1,010,436				92,075	1,102,511
Dividends on Credit or Deposit						
Insurance Dividends Payable				785,238		785,238
Other Liabilities	190,492		34,005	151,546	47,676	423,719
Liability for Federal Employees Compensation Act	932,121				92,188	1,024,309
Liability for Losses on Guaranteed Loans			3,663,488			3,663,488
Insurance Statutory Reserves				11,838,984		11,838,984
Borrowings from Treasury			1,730,078			1,730,078
TOTAL LIABILITIES	2,755,880	724,130	5,530,922	13,945,399	432,560	23,388,891
TRUST FUND BALANCES	24,108	570,825		255,364		850,297
EQUITY OF THE U.S. GOVERNMENT:						
Unrealized Appropriations:					170,080	8,111,422
Invested Capital	7,941,342					275,763
Deferred Appropriations		275,763				1,210,724
Unobligated Balances	987,041		223,683			1,816,613
Undelivered Orders	1,698,657	16,337	3		101,616	
TOTAL EQUITY OF THE U.S. GOVERNMENT	10,627,040	292,100	223,686		271,696	11,414,522
TOTAL LIABILITIES, TRUST FUND BALANCES, AND EQUITY	\$13,407,028	\$1,587,055	\$5,754,608	\$14,200,763	\$ 704,256	\$35,653,710

NOTE 11: (CONTINUED)

VETERANS ADMINISTRATION

SCHEDULE OF ASSETS, LIABILITIES, AND EQUITY BY MAJOR PROGRAM

SEPTEMBER 30, 1987

(Dollars in Thousands Restated)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
ASSETS:						
Fund Balance with U.S. Treasury	\$ 3,624,002	\$ 1,849,305	\$ 119,902	\$ 19,808	\$ 384,010	\$ 5,997,027
Imprest Funds	9,616					9,616
Advances, Accounts, and Loans Receivable, Net	243,527	322,909	1,172,506	1,408,271	64,753	3,211,966
Investments	20,994		154,746	12,066,823		12,242,563
Foreclosed Property Held for Sale			864,104			864,104
Land, Buildings, and Equipment Net of Accumulated Depreciation	6,836,854				2,409	6,839,263
Other Assets	31,043				120,572	151,615
Future Financing Sources	1,470,255	40,247	2,596,289	371,141	138,335	4,616,267
TOTAL ASSETS	\$12,236,291	\$ 2,212,461	\$4,907,547	\$13,866,043	\$ 710,079	\$33,932,421
LIABILITIES, TRUST FUND BALANCES, AND EQUITY:						
LIABILITIES:						
Accounts Payable, Principally to the Public	\$ 608,569	\$ 1	\$ 135,555	\$ 172,126	\$ 195,684	\$ 1,111,935
Accrued Compensation and Pension Benefits		1,280,054				1,280,054
Accrued Payroll and Payroll Related Liabilities	924,743				86,825	1,011,568
Dividends on Credit or Deposit						
Insurance Dividends Payable						
Other Liabilities	71,779		171,856	706,018		706,018
Liability for Federal Employees Compensation Act	859,847			956,347	67,389	956,347
Liability for Losses on Guaranteed Loans				148,855	85,039	459,879
Insurance Statutory Reserves			2,718,898			944,886
Borrowings from Treasury			1,730,078	11,612,555		2,718,898
TOTAL LIABILITIES	2,464,938	1,280,055	4,756,387	13,595,901	434,937	11,612,555
TRUST FUND BALANCES						
EQUITY OF THE U.S. GOVERNMENT:						
Unrealized Appropriations:	20,503	598,994		270,142		889,639
Invested Capital						
Deferred Appropriations	6,865,853				152,608	7,018,461
Unobligated Balances	1,205,316		151,157		13,313	316,365
Undelivered Orders	1,679,681	17,047	3		109,221	1,369,786
TOTAL EQUITY OF THE U.S. GOVERNMENT	9,750,850	333,412	151,160		275,142	10,510,564
TOTAL LIABILITIES, TRUST FUND BALANCES, AND EQUITY	\$12,236,291	\$2,212,461	\$4,907,547	\$13,866,043	\$ 710,079	\$33,932,421

VETERANS ADMINISTRATION

**SCHEDULE OF EXPENSES, DIVIDENDS, REVENUE,
AND FINANCING SOURCES BY MAJOR PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1988**
(Dollars in Thousands)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
OPERATING EXPENSES						
AND DIVIDENDS:						
Expenses By Category:						
Personnel Compensation						
and Fringe Benefits						
Veterans' Benefits	\$ 6,903,251	\$ 15,939,277	\$2,031,537	\$1,159,763	\$ 612,030	\$ 7,515,281
Claims and Indemnities	124				368	15,939,277
Depreciation	411,798				301	3,191,792
Supplies and Materials	1,639,354				16,548	412,099
Contractual Services	1,420,037				80,101	1,655,902
Rent, Communications, and Utilities	393,764					1,500,138
Other	39,087				138,505	532,269
Total Operating Expenses	10,807,415	15,939,277	2,031,537	1,159,763	22,089	61,176
Insurance Provisions:					869,942	30,807,934
Dividends to Policyholders						
SELI Reserve				934,485		934,485
Total Dividends	\$10,807,415	\$ 15,939,277	\$2,031,537	\$2,097,664	\$ 869,942	\$31,745,835
OPERATING REVENUE AND FINANCING SOURCES:						
Operating Revenues:						
Premium Income				873,912		873,912
Interest Income			168,143	1,229,557		1,397,700
Loan Originations Fees			135,118			135,118
Reimbursements and Other	314,643	108,133	(66,181)	(25,439)	111,408	442,564
Total Operating Revenue	314,643	108,133	237,080	2,078,030	111,408	2,849,294
Financing by Source:						
Appropriations and						
Financing Sources Realized	10,211,450	15,509,385	940,194	14,058	750,435	27,425,522
Funds to be Provided						
by Future Financing Sources	281,322	47,012	854,263	5,576	8,099	1,196,272
Transfers, Reimbursements, and Other		274,747				
Total Financing Sources	10,492,772	15,831,144	1,794,457	19,634	758,534	28,896,541
	\$10,807,415	\$ 15,939,277	\$2,031,537	\$2,097,664	\$ 869,942	\$31,745,835

NOTE 11: (CONTINUED)

VETERANS ADMINISTRATION

**SCHEDULE OF EXPENSES, DIVIDENDS, REVENUE,
AND FINANCING SOURCES BY MAJOR PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1987**
(Dollars in thousands Restated)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
OPERATING EXPENSES						
AND DIVIDENDS:						
Expenses By Category:						
Personnel Compensation						
and Fringe Benefits	\$ 6,447,310	\$ 15,630,956	\$2,131,936	\$1,140,184	\$565,397	\$ 7,012,709
Veterans' Benefits						15,630,956
Claims and Indemnities	176					3,272,296
Depreciation	362,617				860	363,477
Supplies and Materials	1,602,432				20,520	1,622,952
Contractual Services	1,256,107				64,542	1,320,649
Rent, Communications, and Utilities	389,585				126,682	516,267
Other	220,622				41,969	262,591
Total Operating Expenses	10,278,849	15,630,956	2,131,936	1,140,184	819,972	30,001,897
Insurance Provisions:						
Dividends to Policyholders						
SGLI Reserve				928,845		928,845
				9,027		9,027
Total Dividends	\$10,278,849	\$ 15,630,956	\$2,131,936	\$2,078,056	\$ 819,972	\$30,939,769
OPERATING REVENUE AND FINANCING SOURCES:						
Operating Revenues:						
Premium Income				877,756		877,756
Interest Income			191,425	1,192,317		1,383,742
Loan Origination Fees			340,972			340,972
Reimbursements and Other	277,211	86,453	(45,021)	(8,404)	84,776	395,015
Total Operating Revenue	277,211	86,453	487,376	2,061,669	84,776	2,997,485
Financing by Source:						
Appropriations and						
Financing Sources Realized	9,881,636	15,271,150	674,593	5,848	726,918	26,560,145
Funds to be Provided						
by Future Financing Sources	120,002	40,247	969,967	10,539	8,278	1,149,033
Transfers, Reimbursements, and Other		233,106				233,106
Total Financing Sources	10,001,638	15,544,503	1,644,560	16,387	735,196	27,942,284
	\$10,278,849	\$ 15,630,956	\$2,131,936	\$2,078,056	\$ 819,972	\$30,939,769

VETERANS ADMINISTRATION

**SCHEDULE OF SOURCES AND USES OF
RESOURCES AND RECONCILIATION TO BUDGET BY MAJOR PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1988**
(Dollars in thousands)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
NET USE OF RESOURCES:						
Operations:						
Operating Expenses	\$10,807,415	\$ 15,939,277	\$ 2,031,537	\$ 1,159,763	\$ 869,942	\$ 30,807,934
Items Requiring (Providing) Funds:						
Increase in Future Liability Provisions	(72,274)		(944,590)	(226,429)	(7,149)	(1,250,442)
Depreciation	(411,798)				(301)	(412,099)
Increase (Decrease) in Accounts Receivable	5,643	(23,671)	(109,869)	(1,505)	37,624	(91,778)
Decrease (Increase) in Accounts Payable and Accruals	(133,513)	555,950	(136,871)	(86,080)	(13,286)	186,200
Revenues Accounted for as						
Offsetting Collections	(314,643)	(382,880)	(237,080)	(1,096,751)	(111,408)	(2,142,762)
Resources Used (Provided) by Operations	9,880,830	16,088,676	603,127	(251,002)	775,422	27,097,053
Non-Operating Uses:						
Dividends						
Acquisitions of Land, Buildings, and Equipment	1,078,337			952,507		952,507
Purchase of Foreclosed Property Held for Sale					12,327	1,090,664
Issuance and Repurchase of Loans and Liens		(13,492)	1,630,545			1,630,545
Other, Net	(844)		1,080,064	107,900		1,174,472
Financing Activities:			(36,562)		13,965	(23,441)
Sale of Foreclosed Property Held for Sale			(1,661,608)			(1,661,608)
Sale of Loans, without Recourse, net			(296,683)			(296,683)
Loan/Lien Repayments/Opt Income Settlements			(179,845)	(173,762)		(353,607)
Revenues Collected for Treasury	(118,751)	(220,173)				(338,924)
NET USE OF BUDGETARY RESOURCES (OUTLAYS)	10,839,572	15,855,011	1,139,038	635,643	801,714	29,270,978
SOURCES OF BUDGETARY RESOURCES PROVIDED						
Intra-agency Transfers	21,730	(200,000)	178,270			0
Current Year Appropriation, Adjusted	10,932,746	15,724,930	916,400	14,290	774,810	28,363,176
Contract Authority and Reappropriation	(24,849)	(84,343)			(12,000)	(121,192)
Proceeds of Loan Sales With Recourse			389,259			389,259
Interest on Government Securities				998,165		998,165
Net Transfers, Reimbursements, and Other	11,704	(220,173)	(146,046)		(28,323)	(382,838)
Funds Returned to Treasury	(177,323)	(932)			(5,627)	(183,882)
TOTAL RESOURCES PROVIDED	10,764,008	15,219,482	1,337,883	1,012,455	728,860	29,062,688
INCREASE (DECREASE) IN U.S. TREASURY AND IMPREST FUNDS						
Funds Exchanged for U.S. Government Securities	(75,564)	(635,529)	198,845	376,812	(72,854)	(208,290)
NET INCREASE (DECREASE) IN U.S. TREASURY AND IMPREST FUNDS	(108,741)	(635,529)	198,845	(1,480)	(72,854)	(619,759)
U.S. TREASURY AND IMPREST FUNDS:						
Beginning of Year	3,633,618	1,849,305	119,902	19,808	384,010	6,006,643
End of Year	\$ 3,524,877	\$ 1,213,776	\$ 318,747	\$ 18,328	\$ 311,156	\$ 5,386,884

NOTE 11: (CONTINUED)

VETERANS ADMINISTRATION

**SCHEDULE OF SOURCES AND USES OF
RESOURCES AND RECONCILIATION TO BUDGET BY MAJOR PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1987**
(dollars in thousands Restated)

	Medical and Construction	Veterans Benefits	Housing Credit Assistance	Life Insurance	Administration and Other	Consolidated
NET USE OF RESOURCES:						
Operations:						
Operating Expenses	\$10,278,849	\$ 15,630,956	\$ 2,131,936	\$ 1,140,184	\$ 819,972	\$ 30,001,897
Items Requiring (Providing) Funds:						
Increase in Future Liability Provisions	(79,712)		(983,646)	(229,979)	(7,884)	(1,301,221)
Depreciation	(362,617)				(860)	(363,477)
Increase (Decrease) in Accounts Receivable	(37,217)	10,675	(384,818)	(4,842)	(4,269)	(420,471)
Increase in Accounts Payable and Accruals	(64,610)	(41,608)	(38,274)	(93,155)	(37,068)	(274,715)
Revenues Accounted for as						
Offsetting Collections	(277,221)	(319,559)	(487,376)	(1,094,351)	(84,776)	(2,263,283)
Resources Used (Provided) by Operations	9,457,472	15,280,464	237,822	(282,143)	685,115	25,378,730
Non-Operating Uses:						
Dividends						
Acquisitions of Land, Buildings, and Equipment	954,782			927,500	15,211	927,500
Purchase of Foreclosed Property Held for Sale						969,993
Issuance and Repurchase of Loans and Liens		(2,002)	1,380,338			1,380,338
Other, Net	(807)		1,224,720	104,657		1,327,375
Financing Activities:					(2,255)	(3,062)
Sale of Foreclosed Property Held for Sale			(1,482,928)			(1,482,928)
Sale of Loans, with Recourse			(849,196)			(849,196)
Loan/Lien Repayments/Out Income Settlements			(161,761)	(211,139)		(372,900)
Disposals of Equipment and Other	(95,260)			(6)		(95,266)
Revenues Collected for Treasury	(33,004)	(195,542)				(228,546)
NET USE OF BUDGETARY RESOURCES (OUTLAYS)	10,283,183	15,082,920	348,995	538,869	698,071	26,952,038
SOURCES OF BUDGETARY RESOURCES PROVIDED						
Intra-agency Transfers						
Current Year Appropriation	10,514,378	15,215,750	100,000	4,770	770,500	26,605,398
Interest on Government Securities				964,383		964,383
Net Transfers, Reimbursements, and Other	21,931	(200,706)		(3,488)	16,290	(165,973)
Funds Returned to Treasury	(160,069)	(661)			(9,496)	(170,226)
TOTAL RESOURCES PROVIDED	10,376,240	15,014,383	100,000	965,665	777,294	27,233,582
INCREASE (DECREASE) IN U.S. TREASURY AND IMPREST FUNDS						
Funds Exchanged for U.S. Government Securities	93,057	(68,537)	(248,995)	426,796	79,223	281,544
NET INCREASE (DECREASE) IN U.S. TREASURY AND IMPREST FUNDS	(1,289)			(431,805)		(433,094)
U.S. TREASURY AND IMPREST FUNDS:						
Beginning of Year	3,541,850	1,917,842	368,897	24,817	304,787	6,158,193
End of Year	\$ 3,633,618	\$ 1,849,305	\$ 119,902	\$ 19,808	\$ 384,010	\$ 6,006,643

VETERANS ADMINISTRATION

**BUDGETED AND ACTUAL OUTLAYS BY FUNCTION AND PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1988**
(Dollars in Thousands)

	Budgeted Outlays		Actual Outlays
	President's Budget	Enacted Bill	
HOSPITAL AND MEDICAL CARE:			
Medical Care	\$ 9,847,794	\$10,083,229	\$10,045,310
Medical and Prosthetic Research	207,076	208,703	197,330
Medical Administration	43,981	43,463	40,463
Construction	616,263	571,313	649,456
Proposed Legislation			
All Other	(199,781)	(57,165)	(92,987)
Total Hospital and Medical Care	10,515,333	10,849,543	10,839,572
BENEFITS:			
Income Security for Veterans:			
Compensation	10,369,000	10,357,900	11,251,859
Pensions	3,839,500	3,835,800	3,934,821
Burial and Other Benefits	141,687	141,688	141,674
Proposed Legislation	235,450		
Reinstated Entitlement for Survivors		8,034	(755)
Subtotal Income Security	14,585,637	14,343,422	15,327,599
Education, Training, and Rehabilitation:			
Readjustment Benefits (G.I. Bill)	646,000	654,100	700,006
Post-Vietnam Era Education	17,740	58,800	28,558
Veterans Job Training	5,498	31,737	25,252
All Other	(228,298)	(217,920)	(226,404)
Proposed Legislation	202,134		
Subtotal Education, Training, and Rehabilitation	643,074	526,717	527,412
Total Benefits	15,228,711	14,870,139	15,855,011
HOUSING CREDIT ASSISTANCE:			
Loan Guaranty	253,500	568,100	1,218,842
Proposed Legislation	(389,823)		
Direct Loans	(29,600)	(67,000)	(79,804)
Total Housing Credit Assistance	(165,923)	501,100	1,139,038
INSURANCE PROGRAMS	658,298	599,297	635,643
Proposed Legislation	4,250		
Total Insurance Programs	662,548	599,297	635,643
ADMINISTRATION			
Other Benefits and Services	804,696	803,088	801,714
Total Administration	804,696	803,088	801,714
TOTAL VETERAN ADMINISTRATION	\$27,045,365	\$27,623,167	\$29,270,978

Where actual outlays exceeded outlays budgeted in the enacted bill, funds were obtained from available unobligated balances. This does not constitute a violation of the Anti-Deficiency Act (31 U.S.C. 1341).

**BUDGETED AND ACTUAL OUTLAYS BY FUNCTION AND PROGRAM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1987**
(Dollars in Thousands)

	Budgeted Outlays		
	President's Budget	Enacted Bill	Actual Outlays
HOSPITAL AND MEDICAL CARE:			
Medical Care	\$ 8,960,952	\$ 9,500,505	\$ 9,499,750
Medical and Prosthetic Research	187,332	212,729	195,123
Medical Administration	43,952	43,417	40,265
Construction	687,028	607,851	537,156
Proposed Legislation	(185,173)		
All Other	40,934	(19,347)	10,889
Total Hospital and Medical Care	9,735,025	10,345,155	10,283,183
BENEFITS:			
Income Security for Veterans:			
Compensation	10,415,000	10,418,900	10,502,353
Pensions	3,825,000	3,830,500	3,793,200
Burial and Other Benefits	134,392	135,908	130,730
Proposed Legislation	243,800		
Reinstated Entitlement for Survivors		5,398	(2,845)
Subtotal Income Security	14,618,192	14,390,706	14,423,438
Education, Training, and Rehabilitation:			
Readjustment Benefits (G.I. Bill)	754,897	756,297	776,401
Post-Vietnam Era Education	(75,700)	(7,750)	50,501
Veterans Job Training	5,384	41,737	38,005
All Other	(192,448)	(212,238)	(205,425)
Proposed Legislation	25,573		
Subtotal Education, Training, and Rehabilitation	517,706	578,046	659,482
Total Benefits	15,135,898	14,968,752	15,082,920
HOUSING CREDIT ASSISTANCE:			
Loan Guaranty	148,900	277,800	382,059
Proposed Legislation	(131,800)		
Direct Loans	(43,453)	(36,900)	(33,064)
Total Housing Credit Assistance	(26,353)	240,900	348,995
INSURANCE PROGRAMS	747,832	612,744	538,869
ADMINISTRATION			
Other Benefits and Services	759,317	757,684	698,071
Proposed Legislation	952		
Total Administration	760,269	757,684	698,071
TOTAL VETERAN ADMINISTRATION	\$26,352,671	\$26,925,235	\$26,952,038

Where actual outlays exceeded outlays budgeted in the enacted bill, funds were obtained from available unobligated balances. This does not constitute a violation of the Anti-Deficiency Act (31 U.S.C. 1341).

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Appendix of Reference Publications

Catalog of Federal Domestic Assistance; available by subscription (\$38.00) from the Superintendent of Documents, Government Printing Office, Washington, DC 20402

Federal Benefits for Veterans and Dependents (IS-1 Fact Sheet); available for \$2.25 a copy from the Superintendent of Documents, Government Printing Office, Washington, DC 20402

Inspector General Semiannual Reports (October 1, 1987 – March 31, 1988 – #19; April 1, 1988 – September 30, 1988 – #20; October 1, 1988 – March 31, 1989 – #21); available from VA Central Office, Office of the Inspector General (53E), 810 Vermont Ave., NW, Washington, DC 20420

Interments in National Cemeteries (VA-DMA IS-1 1988); available from VA Forms and Publications Depot, 6307 Gravel Avenue, Alexandria, VA 22310

Summary of VA Medical Programs; available from VA Central Office, Office of Information Management and Statistics (722), 810 Vermont Ave., NW, Washington, DC 20420

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