

John R. Gingrich, Chief of Staff, Department of Veterans Affairs

STATEMENT OF
JOHN R. GINGRICH
CHIEF OF STAFF
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE
MAY 23, 2012

Good morning Chairman Murray, Ranking Member Burr, and Members of the Committee. I am pleased to be joined this morning by Jo Ann Rooney, Ed.D., J.D. Acting Under Secretary for Personnel and Readiness, Department of Defense (DoD) to discuss the progress being made by the VA and the Department of Defense (DoD) towards meeting the needs of injured Servicemembers. My testimony will focus on the status of our progress towards improving the Integrated Disability Evaluation System (IDES) used to transition wounded, ill, and injured Servicemembers from DoD to VA or, if found fit, return them quickly to their units to continue their military service.

Introduction:

VA and DoD have a shared goal: ensuring that Servicemembers' transition between VA and DoD is as smooth as possible and honors their sacrifice for the greater good. To create a truly seamless transition, we have a multi-pronged approach that includes developing a single Integrated Electronic Health Record (iEHR), improving our Federal Recovery Coordination Program (FRCP) and having an efficient IDES system. If we are to truly achieve the seamless transition that we both agree is necessary, it will be through measurable progress in all three core programs.

Our commitment is not to create a program or a process; our commitment is to create a new paradigm. The old paradigm of two big bureaucracies with completely different processes, systems and programs did not work in the past and will not work in the future. Seamless transition is the new paradigm; not a slogan. At the James A. Lovell Federal Health Care Center (JALFHCC), both Servicemembers and Veterans are served by a joint VA-DoD team. JALFHCC embodies this new paradigm. While there are still issues that we must work through at JALFHCC, it is strong evidence that we can overcome barriers when the needs of Servicemembers, Veterans and their families are our priority.

Our Departments understand that we are responsible for the same men and women, though at different periods of their lives, and that together our Departments can help improve their transition experience as they move from one stage to the next. I will focus my remarks today on IDES as one piece of a larger transformation.

IDES

Much has been accomplished to improve the DoD disability process in the wake of the issues identified at the Walter Reed Army Medical Center in 2007. VA's and DoD's joint efforts have resulted in process improvements and created an integrated disability evaluation system for Servicemembers who are being evaluated for medical retirement or separated. In early 2007, VA and DoD partnered to develop a modified, integrated Disability Evaluation System (DES) and a DES Pilot was launched in November 2007. This new, joint process was designed to eliminate the duplicative, time consuming, and often confusing elements of the separate disability processes within VA and DoD. The goals of the joint process were to: (1) increase transparency of the process for the Service member; (2) reduce the processing time; (3) improve the consistency of ratings for those who are ultimately medically separated; and (4) reduce the benefits gap that existed between the point of separation or retirement and receipt of VA disability compensation. Authorization for the DES Pilot was included in the National Defense Authorization Act for Fiscal Year 2008.

The DES Pilot was launched at three operational sites in the National Capital Region (NCR): Walter Reed Army Medical Center, National Naval Medical Center, and Malcolm Grow Medical Center on Andrews Air Force Base. The DES Pilot was recognized as a significant improvement over the legacy DES process, and, as a result of the Senior Oversight Committee (SOC) findings and the desire to extend the benefits of the Pilot to more Servicemembers, VA and DoD expanded the Pilot. By the end of March 2010, the DES Pilot had expanded to 27 sites and covered 47 percent of the DES population. In July 2010, the co-chairs of the SOC agreed to expand the DES Pilot and rename it IDES. Senior leadership of VA, the Services, and the Joint Chiefs of Staff strongly supported this plan and the need to expand the benefits of this improved process to all Servicemembers. Expansion and full implementation of IDES was completed by September 30, 2011. Currently, there are 139 IDES sites operational worldwide, including the original 27 DES Pilot sites.

In contrast to the DES legacy process, IDES provides a single set of disability examinations and a single-source disability rating, for use by both Departments in executing their respective responsibilities. This results in more consistent evaluations, faster decisions, and timely benefits delivery for those medically retired or separated. As a result, VA can deliver benefits in the shortest period allowed by law following discharge thus reducing the "benefit gap" that previously existed under the legacy process, i.e., the lag time between a Servicemember separating from DoD due to disability and receiving his or her first VA disability payment. This lag time used to be 6 to 9 months; it now is reduced to 30 to 60 days, with our goal being to reach no more than 30 days. The DoD/VA integrated approach has also eliminated many of the sequential and duplicative processes found in the legacy system.

VA is responsible for four core processes within IDES: claims development, medical examination, proposed disability rating, and VA benefits estimate letter. VA's target for combined

processes is 100 days of the 295 day combined VA-DoD target. While VA is currently meeting the 10 day goal for claims development and the 45 day goal for medical examinations, VA is not meeting the 15 day goal for completion of the proposed rating and the 30 day standard for delivery of VA benefits estimate letters, which currently are 46 and 26 days beyond the target, respectively. To address increased volume at the rating sites during FY 2011, VBA temporarily placed on site help teams at the Baltimore and Seattle VA Disability Rating Activity Sites (DRASs) and brokered IDES work to other stations. VBA increased the number of Rating Veterans Service Representatives (RVSRs) at the Seattle DRAS in March 2012 and now has a total of 174 RVSRs dedicated to the IDES mission at Baltimore, Providence, and Seattle. Increased staffing levels and maturation of skills for newer RVSR trainees will aid VBA in meeting the expected goals for the preliminary rating and final benefits stages. The combined productivity of the three DRASs for completion of preliminary and final ratings was 3,125 for the month of April 2012, which represents a 15 percent increase over March performance of 2,708 completed cases. VA will begin to receive military separation data electronically in Veterans Tracking Application (VTA) in June 2012. It is expected this enhancement will reduce the time it takes the DRASs to verify separations, character of service, and severance or other pay issues, which must be verified prior to issuance of VA benefits.

Both SECDEF and SECVA have directed their respective Departments to reduce the combined processing time to 295 days for 60 percent of Servicemembers in IDES by the end of this calendar year with the ultimate goal of 100 percent. We have already made great progress towards that end. For example, at the Disability Rating Activity Sites in January 2012, the oldest case being worked for Proposed Disability Rating was 254 days. Today, there is not a single case over 180 days. Additionally, it is important to note none of these cases are impacting DoD's ability to move forward with their fitness decision. Today we find ourselves required to process many more claims per month than we had originally anticipated. As demand has increased we have adjusted to meet the Servicemember's needs. In January 2012 VA completed 1,254 Proposed Disability Ratings and in April 2012 VA completed 2,363 Proposed Disability Ratings. That is an 88 percent increase in monthly performance, which allowed for a reduction of more than 5,500 of the backlogged claims. We are proud of the advancements we have made, but to meet the overall 295 day goal, we will need to focus our efforts on ensuring accountability through staffing and governance, utilizing technology, process improvements, and increased management oversight to endure successful delivery.

Accountability:

First, we have institutionalized accountability mechanisms. At each IDES site VA has instituted the concept of a lead VA executive, a senior VA official who is directly responsible for the overall IDES mission, operations and performance at his/her specific site. With a single individual charged with performance responsibility we believe management will be able to drive change more quickly and resolve problems as they arise. To appropriately track our performance in the field, VHA and the Office of VA – DoD Collaboration Service in VA developed the “IDES Dashboard,” a comprehensive management chart that tracks performance in each of VA's four IDES phases at each IDES site. Use of the “IDES Dashboard” has led directly to improved performance tracking and enabled VA's leaders to spot trouble spots and allocate resources more effectively.

Management Oversight:

With any project, the appropriate amount of leadership and oversight must be applied. VA has elevated oversight to the most senior levels of the VA. SECVA and SECDEF meet quarterly, and IDES has always been on the agenda and they both receive monthly updates. On a monthly basis, I meet with the Vice Chief of Staff of the Army to review performance at Army IDES sites. These meetings are attended by senior personnel from VA, Office of the Secretary of Defense (OSD), and the Army. IDES performance data is reviewed at a very detailed level and senior officials in the field are expected to present plans to improve performance if standards are not met. Additionally, since May 2011, I have been leading a Video Teleconference (VTC) every two weeks with senior Veterans Benefits Administration (VBA) and Veterans Health Administration (VHA) officials at 116 sites in the field who are directly responsible for IDES at their respective sites. During these VTCs I review IDES performance at a very detailed level and ask the responsible senior official for his/her plan to improve performance.

VA's office of VA – DoD Collaboration Service also leads a weekly telephone conference call with VBA and VHA and a weekly telephone conference call with the OSD and the Military Services to review IDES performance and problems. Senior VA officials also meet on a monthly basis with Navy Bureau of Medicine officials to review performance at Navy and Marine Corps IDES sites. IDES performance data is reviewed at a very detailed level and senior officials in the field are expected to present plans to improve performance if standards are not met. At every level of VA, leadership is engaged with our partners in DoD and our management team in the field.

Technology and Performance Improvement:

Our continuous review of the IDES process revealed two consistent issues: access to information and reducing the movement of paper files. In both instances, we believe technology will play a key role. The next series of enhancements to the Veterans Tracking Application (VTA 2.0) will leverage our ability to electronically share DD-214 data via VA/DoD Identity Repository (VADIR) to automatically trigger work flow in a way that will reduce overall processing time. VADIR database was established to support a One VA/DoD data-sharing initiative in order to consolidate data transfers between DoD and VA to assist in determining Veteran benefits. The expanded data feed will also include key data elements to assist VA Disability Rating Activity Sites (DRAS) in determining entitlements to VA benefits such as: date of separation and character of service, among others. VTA 2.0 will also include additional reporting capabilities that will allow VBA's Office of Field Operations to better manage the workflow of VBA employees and provide the ability to record the occurrences of diagnostic differences on IDES exams to identify inconsistencies. Based on demonstration performance to date, we believe that the new version of VTA, scheduled for release in June 2012 will greatly improve performance management.

VA is also collaborating with DoD to accomplish the Secretaries' joint goal of achieving electronic case file transfer (CFT) for IDES by July 2012. The planned solution will be a single system that will avoid development time and costs. CTF will remove the costly and inefficient transfer of paper records from DoD to VA by eliminating the need for shipping. Our system will accommodate both computable data and scanned paper to ensure that the solution we adopt

assists both the younger Servicemembers with large portions of their records in electronic format and older Servicemembers who may still have a significant portion of their records in paper.

Conclusion:

Despite these efforts, we know challenges remain, and there is room for significant improvement in IDES. VA and DoD are committed to supporting our Nation's wounded, ill, and injured Warriors and Veterans through an improved IDES, and we are taking steps to prepare for future demand for this system. As such, VA believes that its continued partnership with DoD is critical and is nothing less than our Servicemembers and Veterans deserve.