

1 HEARING ON NOMINATION OF JAMES M. BYRNE,
2 TO BE DEPUTY SECRETARY OF VETERANS AFFAIRS

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4 THURSDAY, MAY 16, 2019

5 United States Senate,
6 Committee on Veterans' Affairs,
7 Washington, D.C.

8 The Committee met, pursuant to notice, at 10:00 a.m.,
9 in Room 418, Russell Senate Office Building, Hon. Johnny
10 Isakson, Chairman of the Committee, presiding.

11 Present: Senators Isakson, Moran, Boozman, Cassidy,
12 Rounds, Tillis, Sullivan, Blackburn, Tester, Brown,
13 Blumenthal, and Sinema.

14 Chairman Isakson. I call this meeting of the Senate
15 Veterans' Affairs Committee to order. Welcome everyone who
16 is here for the proceedings this morning. We will go right
17 into the opening statements, and my able Ranking Member is
18 not very able today. He is disabled by a cold or something.
19 So I am going to let him go first and he wants to excuse
20 himself after that. I will try and make it without him. It
21 will be tough but we will do the best we can.

22 OPENING STATEMENT OF SENATOR TESTER

23 Senator Tester. That will be just fine. Thank you,
24 Mr. Chairman. Yeah, I do not--normally I do not look to
25 good. And today not only do I not look too good, I do not

1 feel too good either. But I want to thank you, Mr.
2 Chairman, and I want to thank you, Mr. Byrne. I appreciate
3 your willingness to perform the duties as the Deputy on an
4 interim basis since last summer. Our job today is to
5 determine whether you are up to the task of serving as the
6 permanent number two at VA.

7 Given that you are already performing most of the
8 duties, and have served as general counsel, my expectations
9 for you during this hearing will be different. You come
10 here not only as a newly nominated individual but as
11 representative of the Department who has had a key role in
12 the development and roll-out of a number of significant
13 programs. I need to know whether you have the proper
14 temperament and judgment and will do what is best for our
15 veterans.

16 For example, you served as general counsel when the
17 Secretary was contemplating whether to recommend that
18 Justice Department challenge the Blue Water Navy case on
19 VA's behalf. Earlier this week the House of Representatives
20 unanimously passed--that is 410-0--legislation that is in
21 keeping with the recent court decision.

22 You served as general counsel in June of 2018, when the
23 VA picked a needless fight with the Office of Inspection
24 General, denying basic information to the Office entrusted
25 with independent oversight. The following week this body

1 unanimously approved an amendment to the FY 2019 VA
2 Appropriations Bill to prevent the denial of such
3 information.

4 After all, despite what VA leadership may have thought
5 had been advised, it was not and is not above the law, and
6 now, in just three short weeks, be able to align with its
7 implementation of the Mission Act. I want to know that your
8 role has been in implementing that law and whether you
9 believe the VA is going to be ready to rock and roll on June
10 6th.

11 Your testimony points to a recognition of the human
12 resources apparatus at the VA that needs to be modernized,
13 so I know that you understand the VA has more work to do to
14 improve the processes involved in hiring and related tax.
15 However, the inability of the Department to address
16 recruitment and retention issues in places like my home
17 state of Montana, coupled with the Department's gutting of
18 the agreement with Labor that has been in place since 2011,
19 gives me concern, to say the least. VA management
20 absolutely needs to get along with its employees. They are
21 our most important asset.

22 Unfortunately, VA's unwillingness to work well with
23 others does not end with its workforce. We continue to hear
24 concerns that the VSOs are not being asked for input on
25 important decisions made at the VA. We hear that the VA

1 does not want to sit on the same witness panel for
2 congressional hearings as the IG office.

3 And when all eight of the VA-authorizer and
4 appropriators from both parties and both chambers send a
5 letter to the VA asking for more timely, accurate, and
6 consistent information, VA counter with--said that it was
7 the most transparent agency anyone has ever seen. I
8 question that. The VA simply cannot continue treating its
9 partners as adversaries--as adversaries, as they key
10 stakeholders and bystanders.

11 Yesterday we found out that a lawsuit had been filed in
12 which you are a party of interest. I believe that you are--
13 you were unaware of this lawsuit until Tuesday night, and I
14 appreciate you being very forthcoming since that time. In
15 my view, that lawsuit really boils down to the fact that you
16 refuted an investigation that was carried out by the IG,
17 whether or not you appropriately decided that particular
18 action lends itself to whether you have good judgment.

19 But to the larger point, the trend from this agency to
20 undercut everyone charged with oversight of this agency,
21 whether it is Congress or the IG office, needs to stop and
22 needs to stop now. There are too many critical issues that
23 require all of us to work together, whether it is the
24 epidemic of suicides that ends the lives of way too many
25 veterans every day and the ongoing struggle of veterans,

1 particularly rural and women veterans, to access the care
2 they need, or the IT setbacks that have hindered or delayed
3 critical initiatives. I need to know that you are committed
4 to the priorities such as these and that, at the end of the
5 day, you have the temperament and judgment to do this job.

6 Thank you again for your willingness to serve on behalf
7 of our nation's veterans and their families.

8 Just in closing I would say this. The IG is one of the
9 tools that we use to hold you accountable. If we do not
10 support the IG in the work that they do I think we are
11 making a big mistake, whether it is IG for the VA or any
12 other agency. So I would appreciate if members on both
13 sides had adequate time to review Mr. Byrne's qualifications
14 and potentially follow up this hearing with additional
15 meetings--not you, necessarily, Mr. Chairman, but if I have
16 to call him, or, Mr. Byrne, I could do that. We could get
17 it out. I do not want to extend this thing but I just want
18 to make sure we do our due diligence.

19 Johnny, thank you very, very much for letting me go
20 first so I can leave and crash.

21 Chairman Isakson. Well, I want you to leave and crash
22 and get well. That is what I want.

23 Senator Tester. Thanks, buddy.

24 Chairman Isakson. We are not a good committee without
25 you here and I appreciate your being here so promptly. And

1 I will just say this as you leave. I associated myself with
2 every remark that Jon made. We, as a team, want the VA to
3 be the best it can be. We think the VA is moving in the
4 right direction in many areas. We think your nomination is
5 a good one. We want to make sure we continue on that path,
6 we do not backslide, and we can prove to you--we have got a
7 long way to go but we have come a long way in the last few
8 months.

9 So, Jon, thank you for your testimony, and thank you
10 for not using this lawsuit as an excuse for us to hold up
11 this hearing today, which I really appreciate a lot. We
12 have had a lot of stonewalling going on in the Senate in the
13 last couple of months, over appointments and getting meeting
14 scheduled, but Jon has been very helpful in supporting those
15 and I appreciate it very much.

16 OPENING STATEMENT OF CHAIRMAN ISAKSON

17 Chairman Isakson. Mr. Byrne, welcome. You are not a
18 stranger to the VA. You are there now. You, like many
19 people, have been in an acting position. You are going to
20 stop acting soon and be appointed and confirmed, I am sure.
21 And the purpose of this hearing is to have a hearing on your
22 confirmation and on your appointment, to satisfy any
23 questions the members may have.

24 Let me say at the outset, so if I do not say it at the
25 end, what I have already said and I did not forget it, we

1 will leave the record open for, how many, five days for any
2 questions any member who is not here wishes to ask, or any
3 additional information that wishes to be submitted by them.
4 I would ask you to be as prompt as you can in responding to
5 those, because it is in our hands to get this meeting
6 called, and once it is announced it is for you. And the
7 responsibility is on your back to get us the information as
8 quickly as possible so we can get your confirmation finished
9 as quickly as possible and move forward.

10 I read your testimony last night and I appreciate very
11 much your candor, your supportive nature of the Secretary.
12 I particularly appreciate that you have embraced the suicide
13 goals that all of us have on the VA Committee and at the VA,
14 as our number one goal, and that is to begin to do the--go
15 through the process of slowing down the rate of suicide and
16 eventually, if it is possible, preventing it.

17 Whether it is possible or not is something you want to
18 make sure you never get in to and say it is not impossible
19 to correct because you do not want to do that. And we have
20 a rash recently, including in the Atlanta area, of veterans
21 who have taken their life either on the property or near the
22 property or in proximity to an appointment they have had
23 with the VA, and that bothers me some as well.

24 We have got to continually review our processes and to
25 the timeliness of getting a veteran in danger to a

1 professional to help and counsel with him. We have learned
2 that the number one failure of anybody when someone is at
3 risk for their own life is to not get timely counseling from
4 somebody who understands what is going on in someone's mind
5 when they are contemplating taking their own life.

6 So I am going to be talking a lot more about that in
7 the months ahead, as Chairman, because I think it is the one
8 thing we can do. It is a subject nobody wants to talk
9 about. It is one of those things that has a stigma to it,
10 but it is absolutely something that needs to be done,
11 absolutely something that needs to be done quickly, and
12 absolutely needs to be something we never give up on trying
13 to find the right answers to the questions that are asked of
14 us.

15 So I am delighted that you are here today. I
16 appreciate your prioritization of serving Secretary Wilkie
17 as you have. He is a good Secretary. He is a demanding
18 task-maker but he will not ask of you any more than he asks
19 of himself, and that is the kind of leadership we know and
20 we want and have needed in the VA.

21 Now the rules require me to swear you in before you
22 make your testimony. That way you cannot change it later
23 on, after you have made your testimony. So if you will
24 please raise your right hand, Mr. Byrne, and repeat after
25 me.

1 Do you solemnly swear or affirm that the testimony you
2 are about to give before the Senate Committee on Veterans'
3 Affairs will be the truth, the whole truth, and nothing but
4 the truth, so help you God?

5 Mr. Byrne. I do.

6 Chairman Isakson. You may be seated. Thank you.

7 I will recognize you for five minutes of opening
8 statement followed by questions by, it looks like me, but I
9 will try not to be too boring and hopefully we will have
10 somebody save you from that. But you are welcome and
11 congratulations on your nomination.

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1 TESTIMONY OF JAMES M. BYRNE, NOMINATED TO BE
2 DEPUTY SECRETARY OF VETERANS AFFAIRS

3 Mr. Byrne. Thank you very much, sir, and if I may, may
4 I introduce my family that has joined me today?

5 Chairman Isakson. You sure can.

6 Mr. Byrne. My wife Becky, my wife of 32 years, joins
7 me here today, along with our daughters, Hannah and Gabby,
8 and I will not call them number five and six but they are,
9 they are our fifth and sixth children, and we were just
10 blessed recently with our fifth grandchild, James Michael
11 Byrne III.

12 Chairman Isakson. Well, Hannah and Gabby are two great
13 names, and they have got beautiful smiles too, so we are
14 delighted that you are here.

15 And I learned a long time ago, and have known since I
16 was in the service, that when you serve the country in the
17 service or in the service of the Congress it is the spouses
18 that come with you to serve as well, so thank you for your
19 support of your husband.

20 Mr. Byrne. Well, good morning, Chairman Isakson.
21 Thank you for the opportunity to appear before you. Almost
22 two years ago I was here as the nominee to be the General
23 Counsel of the Department of Veterans Affairs. Today I am
24 asking for your support once again as I am humbled and
25 honored to appear as President Trump's nominee to be the

1 Deputy Secretary of Veterans Affairs.

2 You may recall that we are a service-oriented family.
3 My father and father-in-law served in the military, as did
4 I, a tradition our two sons and our son-in-law have
5 followed. Our Army son, Dan, is stationed in Maryland, and
6 our Navy son, Mick, is at sea on the USS Alaska, a fleet
7 ballistic nuclear submarine on a deterrent patrol out of
8 Kings Bay, Georgia. Our son-in-law, Aaron, is a Navy
9 veteran.

10 I want to thank the Committee for moving promptly on my
11 nomination, as it is important for Mr. Wilkie to have full
12 senior leadership team in place given the rapid changes
13 taking place at the VA.

14 As a U.S. Naval Academy graduate and a full or deployed
15 marine infantry officer, I understand first-hand the
16 importance of our nation's commitment to veterans, and I am
17 excited about the prospect of continuing to help Mr. Wilkie
18 carry out that commitment. Mr. Wilkie has brought stability
19 to the VA's Central Office, which has allowed us to make
20 significant progress toward modernizing the Department and
21 improving service for veterans, and I am proud to have
22 played a role in these momentous changes.

23 I was delegated the chief operating officer duties of
24 the Deputy Secretary nine months ago, and that makes me
25 operationally responsible for the VA's vast network of

1 hospitals and clinics, our benefits programs, and our
2 national cemeteries. I have provided leadership to our
3 various teams as they implement the MISSION Act, work toward
4 electronic health records modernization, and set and achieve
5 new customer service goals like shorter wait times and
6 improved quality of care. And based on what I have seen so
7 far from our leadership and staff, I am very bullish on the
8 VA.

9 I am also proud to be part of our effort to prevent
10 veteran suicide. Stopping these tragic events is our top
11 clinical priority. But we know the VA cannot do it alone,
12 and that is why we are very happy with President Trump's
13 Executive order on veteran suicide, which is aimed at
14 providing a nationwide response to this problem. Secretary
15 Wilkie will lead a Federal Government task force that will
16 recommend ways for private companies, academia, nonprofits,
17 and all levels of government to work together to identify
18 at-risk veterans and get them the help they need.

19 I want to use this as an opportunity to praise the
20 thousands of VA employees who are doing so many good things
21 to further our mission, which is to care for America's
22 heroes who have borne the battle. I am amazed with the
23 employees I have met at our facilities across the country
24 and the care they take with our veterans. From what I have
25 seen, the drumbeat of negative news about our workers is a

1 false narrative that goes against new surveys that find
2 veterans are very happy with the care they receive from us.

3 For all these reasons, I am very optimistic about where
4 the VA is headed under Secretary Wilkie's leadership, and if
5 confirmed I pledge to you, to President Trump, Secretary
6 Wilkie, VA employees, and, of course, the veterans we serve
7 to continue working as hard as I can to fulfill our mission
8 and uphold the oath of office.

9 Thank you, sir, and I look forward to your questions.

10 [The prepared statement of Mr. Byrne follows:]

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1 Chairman Isakson. Well, thank you for being here today
2 and thank you for your service already at the VA, and we
3 appreciate and look forward to the years--hopefully years,
4 that is plural--we will have together, and continuing on
5 that striving to make the VA even better. And I appreciate
6 you restating your commitment to Secretary Wilkie, who I
7 believe has done an excellent job in kind of settling down
8 the temperature at the VA to a stable 98.6, rather than
9 going up to 102 every now and then. We were putting out too
10 many fires and I appreciate that very much.

11 How much time have you spent, or are you spending, on
12 the question of suicide?

13 Mr. Byrne. So I will tell you, sir, personally, every
14 day we touch it in some way. It is the number one clinical
15 priority for the Department of Veterans Affairs, and Mr.
16 Wilkie beats that drum every day. A \$222 million budget has
17 been allocated for 2020, regarding suicide prevention, and I
18 will share with you what I have learned and what my
19 involvement is.

20 What I have learned is we have robust programs at all
21 areas involving suicide prevention. At the further extreme
22 of the chain we have a Veteran Crisis Line that handles
23 1,700 calls a day, 80 of which require emergency
24 intervention to veterans in crisis. We have--and we have
25 had 240 saves, if I could call them that, on VA properties

1 over the last 18 months, veterans that were in the process
2 of committing suicide. That is at the extreme end of
3 suicide prevention.

4 What we are trying to do, and I am sure you would
5 agree, is back up the chain of events so that we do not have
6 to have saves, that we do not have to have 80 emergency
7 interventions every day. And so moving it back up the chain
8 we have, of course, the President's Executive order, which
9 directs Mr. Wilkie to put together a task force and a
10 framework for rallying the resources of the Federal
11 Government, local communities, academia, and private
12 industry and we are very excited about that, as hopefully a
13 needle mover.

14 But within the VA, that \$220 million is well spent. We
15 have 400 suicide prevention coordinators throughout the
16 country, amazing employees who do a number of things. We
17 have a program in the VA called Reach Vet. It is an
18 analytical program that takes several data points regarding
19 the data that we have on veterans and identifies those
20 veterans that are at risk. And those coordinators, those
21 400, reach out to those veterans and intervene, and try to
22 get them treatment and care. And that is within the
23 veterans that we can actually reach.

24 The veteran coordinators are also have extensive
25 outreach program. Last year they reached 200--I am sorry--

1 they reached two million people, and I say people because
2 not all of them are veterans. In fact, the majority of them
3 are not veterans, because we want to put the word out about
4 the treatment and care that the VA can provide and the
5 communities can provide to veterans that are in distress.
6 So those community coordinators talk to families, they talk
7 to community leaders, and try to rally them to get the
8 support they need, whether it is in the VA or elsewhere.

9 We have looked at it as a public health approach,
10 instead of looking at it through some other paradigm, and I
11 think that is the proper way to be looking at suicide
12 prevention across the United States, as well as within the
13 veteran community.

14 We have also launched the Be There campaign, and that
15 is a communication campaign really to the general public,
16 just to be there for each other, be there for veterans. A
17 lot of factors go into committing suicide, as I am sure you
18 are well aware. But one that is probably not in dispute is
19 that loneliness, lack of connection, and hopelessness, those
20 are major contributors, in general, to the psyche.

21 But we have also found, with our specific community of
22 veterans, that homelessness, legal troubles, and things
23 along that line contribute as well. And so all those
24 programs, working together, we are hoping are going to
25 reduce this horrible tragedy across the United States.

1 Twenty veterans a day are taking their lives, and 14 of
2 which are not within our system.

3 And so we are taking extensive efforts. I try to touch
4 each and every one of these initiatives, in some degree, and
5 I assure you we talk about it every day, sir.

6 Chairman Isakson. Well, the thoroughness alone of your
7 answers shows the commitment that you are making to
8 yourself, and I appreciate that very much because it is a
9 work in progress and always will be, but as long as we are
10 moving in the right direction and we are preventing suicides
11 from happening and we are intervening early enough to make
12 that happen then we are doing our job, or at least doing a
13 better job of it.

14 You mentioned the MISSION Act. That is a critical act.
15 How much have you had to say or do in the creation of the
16 new access standards for the MISSION Act?

17 Mr. Byrne. The specific access standards or MISSION
18 Act at large?

19 Chairman Isakson. Both.

20 Mr. Byrne. Well, the MISSION Act access standards,
21 there was a lot of deliberation. Mr. Wilkie being the great
22 leader that he is, he wanted input from all different sort
23 of corners and views on the access standards, and you are
24 aware of the ones we settled on with 30 minutes, 60 minutes,
25 and then the wait times. So I was deeply involved in that

1 and supportive of the decision that was made. I thought it
2 was a reasonable access standard to expand the aperture just
3 a little bit further.

4 But to the larger question about MISSION Act, we have a
5 big railroad to run. There are a lot of operations going
6 on. But I can tell you the drumbeat for MISSION Act is
7 every day, and that one is loud, particularly as we spring
8 toward the June 6th implementation date for a good portion
9 of the MISSION Act.

10 Mr. Byrne. Yeah, that is going to be a critical time.
11 That first 12 months from that date on are going to be a
12 critical time to judge the progress we have made and
13 ultimately get to the point where the MISSION Act is
14 carrying out its mission for the veterans of the United
15 States of America.

16 Mr. Moran.

17 Senator Moran. Mr. Chairman, Thank you. Mr. Byrne,
18 thank you for your presence here and your willingness to
19 serve our veterans and serve our country.

20 Let me outline for you a set of facts and ask for how
21 you would handle this circumstance. The facts, as I know
22 them, is that Senator Tester and I introduced legislation
23 dealing with providing hearing aid specialists within the
24 VA. This question is more than just about hearing aid
25 specialists. It is about a process or a way that the VA

1 responds to Members of Congress and whether or not they
2 abide by the law as passed.

3 So in 2016, legislation was signed into law, requiring
4 that the VA establish standards for hearing aid specialists
5 and then hiring them into the VA. Last March, so 3 ½ years
6 later, the Secretary was in front of this Committee and I
7 asked--in fact, I reminded the Secretary that the VA has not
8 established those standards, as the law requires, nor has it
9 hired any hearing aid specialists. Of course, that resulted
10 in a commitment from the Secretary and his team that they
11 would be back in touch with us and we would receive a
12 briefing on what was transpiring on this issue.

13 Shortly thereafter, I received a written response that
14 said, quote, "Given that the VA has no plans to use its
15 discretionary authority to hire hearing aid specialists, we
16 are uncertain how such a briefing would be useful." So we
17 went from the law being passed, a requirement, that you do--
18 that the VA act in a certain manner. We went to a
19 conversation with folks at the VA in a hearing setting in
20 which I would be briefed, to a "we are not going to hire any
21 specialists so there is no reason to brief you."

22 How would you handle that circumstance in your new
23 position? Is there a better way of doing that, and do you
24 understand how the law requires--when the law requires the
25 VA to do something that it does it?

1 Mr. Byrne. I am very clear on that, as a lawyer and as
2 a leader within the Federal Government, sir. If your
3 thought that you passed is very clear that we are required
4 to do something, we certainly will. I am not sure how to
5 answer it beyond that. If it is required, it is required.
6 If it is optional, that is a different discussion.

7 Senator Moran. Absolutely it is a different
8 discussion. However, that discussion cannot occur, or will
9 not occur because the VA says it is not a benefit to them to
10 have such a conversation with me.

11 Mr. Byrne. That is not acceptable. We will have that-
12 -I will give you assurances we will look into this, we will
13 have that dialogue, and we will comply with the law. That is
14 not--there is no wiggle room or gray area in that, sir.

15 Senator Moran. Mr. Byrne, first of all, I know that
16 you would answer you will comply with the law, and I
17 appreciate that, and I am not trying to put you in an
18 awkward position. But I have been on the Veterans'
19 Committee for 23 years now and one of the things that I
20 think is important is for the VA to implement laws as passed
21 by Congress. I do not think it is just the VA. I think
22 that the nature of our constitutional system of government.
23 And on too many instances, over 23 years, I have seen where
24 the VA has found ways to avoid doing what Congress has
25 directed them to do.

1 And so this is a much broader issue for me. I am not
2 intending to put you in a position. I have great regard for
3 Secretary Wilkie too. I am not trying to put you in a
4 position between answering my question and being in an
5 uncomfortable position with what he committed to do to me.

6 But I want to hear from you that you are committed not
7 only to the law, which I would expect you to say, but that
8 so many times nominees come before our Committee, and, of
9 course--and it is generally the--in this case it is
10 generally the Democrat side is asking, "Will you deal with
11 us? Will you make certain that we are briefed and that you
12 will respond to our questions?"

13 I just want to, again, highlight how important it is
14 for the VA to have a relationship built on trust and
15 cooperation between me and my colleagues, as Members of
16 Congress, and you and your colleagues at the Department of
17 Veterans Affairs.

18 Mr. Byrne. Most certainly, sir. You have my full
19 commitment to that.

20 Senator Moran. Thank you very much. Let me ask, in
21 the short time I have left--although I do not know who we
22 are going to next, Mr. Chairman--the issue of MISSION Act.
23 Let me just mention a couple of things. I am hopeful that
24 there is a field manual so that the VA personnel in the
25 field who are actually implementing the MISSION Act know

1 what the--

2 Chairman Isakson. What it is.

3 Senator Moran. --what it is, what the mission is.

4 Thank you, Johnny. What the mission is. And too many
5 times, again, this is an experience that I have had with the
6 VA, the answers that I receive here, what I see as the
7 policy, what I see as the direction is not understood or
8 implemented by folks who actually are doing the work in
9 Kansas and across the country.

10 So I would encourage--we have been told that there will
11 be, we have never seen a field manual, but we think the
12 staff at the VA, in the field, need to understand. I always
13 say this. Mostly what I do in regard to veterans issues is
14 what is influenced by what I call casework, what Members of
15 Congress do in trying to solve problems of their
16 constituents. And VA casework is a significant component of
17 what we do.

18 In this week's report, there was veteran who called our
19 office to say he needed community care. The VA told him
20 that the Choice Act has expired and that the MISSION Act had
21 not been implemented, and, therefore, there was no community
22 care for him available. None of that, of course, makes any
23 sense. We had community care before we had Choice, we have
24 community care today, but it is how do we translate what is
25 the law, how we translate what is the policy at VA Central

1 to the folks who are actually dealing with the veterans on a
2 day-to-day basis.

3 So I would encourage you to pursue making certain that
4 that information, whatever it is called--a field manual of
5 some kind--is clearly available and understood. I had the
6 VISN folks from Kansas City, from our VISN in the office
7 yesterday. They are indicating that the training is going
8 exceptionally well, think this is one of the best
9 experiences in training VA employees in the field, and I am
10 very pleased to hear that and to see their delight, their
11 enthusiasm for the way this is going. But again, I would
12 highlight the distinction that often happens between what is
13 said here and what is said back home in Kansas or across the
14 country.

15 One of the other pieces of casework that appeared
16 recently is this. A patient and a provider reached a
17 conclusion that it was in the best interest of a veteran to
18 go outside the VA for that care and treatment. That
19 decision was overturned by the hospital director. And I
20 would again highlight what the law says. Once the provider
21 and the veteran make a determination of what is in the best
22 interest of the veteran, that is the decision. It is not
23 something that works its way up the chain of command.
24 MISSION Act will only work if there is a relationship that
25 is solid and viable between the provider and the patient.

1 And so I highlight again, and maybe that is related to
2 my manual question, is even perhaps the higher level of VA
3 employees need to know what the process is for making a
4 determination about what is in the best interest of a
5 veteran.

6 And finally, and I will try to conclude real quickly,
7 Mr. Chairman, we have requested a claims processing
8 information sheet. She is the same--I am beating the same
9 drum. Our providers need the same kind of education and
10 information. The VA has been very helpful to us. We have
11 had the Kansas Hospital Association, others who have
12 meetings. We have had VA personnel present to have
13 workshops and forums about implementation of the MISSION
14 Act.

15 But as I have seen many times there are difficulties in
16 the veteran knowing what he or she is entitled to,
17 difficulty in knowing what the--it is difficult for the
18 employee of the VA to know what he or she is able to offer.
19 It is also confusing, and particularly in light of the
20 slowness in payment and the difficulty in being in-network
21 with Choice.

22 We need to make sure that the providers now know the
23 opportunities are different and the circumstances for prompt
24 payment, episode of care, all those things are different
25 than it was under Choice. So there is a lot of education to

1 be done in addition to the two categories I previously
2 mentioned, but also with our hospitals, our doctors, our
3 rural health clinics.

4 Mr. Byrne, anything I said that does not make sense to
5 you?

6 Mr. Byrne. No, sir. I think you were spot on.

7 Senator Moran. Okay. Thank you, sir.

8 Mr. Byrne. Thank you, sir.

9 Senator Moran. Thank you, Mr. Chairman.

10 Chairman Isakson. Thank you, Jerry, and to that end,
11 if you want to think of one or two more questions you want
12 to ask, we will have the time to do it. But I will tell all
13 the staff that are here, for members, if you have a member
14 that is coming that wanted to ask questions, he or she needs
15 to get here because I am not going to waste his time or my
16 time or Jerry's time putting it off until we get somebody
17 else here, after I have asked my questions and Jerry has
18 followed up with everything he has to say.

19 Both of his points were well taken. I want to--in my
20 business, that I ran for a long time, I always said, "I do
21 not know is not an answer. It is the excuse." And I think
22 for years in the VA, and a lot of government, bureaucrats
23 give the answer "I do not know" and then they shut up, and
24 so there is no--so somebody makes the call to inquire about
25 a need they have or a service they need, there is not any

1 answer or response so they are left hanging.

2 And I think that particularly hits true with medical
3 type questions and decisions which are right down the line
4 of the Veterans Administration. So I want to compliment
5 Senator Moran on what he said and raise the visibility of
6 what you said, because what you said was very important.
7 There is no excuse for not knowing the answer to a question
8 that you are asked, and if you do not know the answer, the
9 answer should be, "I do not know but I will find out," and
10 you ought to take their number down and you ought to call
11 them back.

12 If we can just do the simple courtesies of life, that
13 all of us appreciate, and do it well, it will be much more
14 of a customer-oriented, service-oriented type of an
15 organization and not one that is as frustrating as it
16 sometimes can be.

17 And I think Secretary Wilkie is bringing that type of
18 attitude to the VA. I have seen that happen, and I have had
19 people tell me the same thing. But I just wanted to follow
20 up on that point and say that is the most--the most
21 important thing we can do, starting the 6th of June, when
22 this is implemented in the MISSION Act is to say--"I do not
23 know" is not the answer. "I do not know but I will find
24 out" is the answer, and finding out is the next thing you
25 do, and getting that information to the person is the next

1 thing. If we do that we will raise the confidence of the
2 people who use the VA immensely, because it will end a real
3 problem we have had, and it will also help us to find out
4 where we have got real problems we need to cure.

5 So I want to thank the gentleman from Kansas for
6 bringing that issue up. Mission one for us is the MISSION
7 Act, and getting it implemented and making it work. And we
8 are going to have some things fall through the cracks. We
9 cannot have that many people, that many moving parts and not
10 have them, but at least we can get on top of them, solve
11 them, and make them better.

12 Senator Blackburn.

13 Senator Blackburn. Thank you, Mr. Chairman.

14 Chairman Isakson. Five minutes for questions.

15 Senator Blackburn. I appreciate that so very much, and
16 appreciate that you are here and that you took the time to
17 visit with us in advance.

18 I know you understand my concerns about the supply
19 chain and modernizing that. So, for the record, if you will
20 talk just a moment about what you are going to do to
21 modernize that procurement and supply chain and to mitigate
22 some of the risk, fraud, abuse in that, I think that would
23 be important, as well as--and it ties into implementation of
24 the MISSION Act, and we have discussed this, the control
25 measures and the efforts on modernizing the IT structure,

1 whether it is dealing with supply chain or with records.

2 Mr. Byrne. Thank you, ma'am, for that question. There
3 are a lot of modernization efforts going forward that we
4 discussed earlier and I appreciate your focused question on
5 the supply chain and the risk that is apparent in the system
6 right now. I will give you an example that Mr. Wilkie has
7 presented several times, and I think I might have mentioned
8 it in your office.

9 We have upwards of four million credit card
10 transactions for some of the things we need across the
11 enterprise. That--I will try not to use too dramatic of a
12 word but that is just ridiculous, right? It--accountability
13 on that is challenging at best. The economy of scales and
14 the costs are horrible. And so Mr. Wilkie, very quickly,
15 had an appreciation of the Defense Logistics Agency brings
16 to the table, not a perfect system but probably--not
17 probably--a much better system than we have, and a lot of
18 reasons why we should partner up with them.

19 And so we have some agreements and some test pilots
20 right now, working with them, but that is the intent, is
21 that we are going to tuck up under the Defense Logistics
22 Agency for the majority of our equipment and material and
23 things that we need.

24 Senator Blackburn. Right, and I would just say, also,
25 my hope is as we had discussed, that you will seek guidance

1 and seek some best practices from some of the hospital
2 management groups and practice management groups who employ
3 far fewer people to buy a much broader base of supplies at a
4 much lower cost but higher quality.

5 Mr. Byrne. Yes, ma'am.

6 Senator Blackburn. And we would hope that.

7 Let me go to--and you all may have discussed this, the
8 lawsuit, that we found out about, that has been issued, in
9 which your name appears. In the circumstances referenced in
10 the lawsuit you were to determines the actions of
11 consequence in the deciding official of a complicated
12 investigation. Correct?

13 Mr. Byrne. Correct.

14 Senator Blackburn. Okay. And considering your
15 professional acumen and all of the information you had at
16 the time, do you feel you made a fair and just decision with
17 the utmost integrity, relating to the circumstances?

18 Mr. Byrne. Yes, ma'am, I do.

19 Senator Blackburn. Okay. Looking back, is there any
20 reason to believe you may have violated any Department
21 policy procedure or even the spirit of the accountability
22 and Whistleblower's Protection Act?

23 Mr. Byrne. No, ma'am.

24 Senator Blackburn. You are comfortable with your
25 decision.

1 Mr. Byrne. Very comfortable. Yes, ma'am.

2 Senator Blackburn. With that I yield back.

3 Chairman Isakson. Thank you very much, Senator
4 Blackburn. We are going to go to Senator Blumenthal and
5 then Senator Sullivan and then Senator Tillis, in that
6 order, unless we get another alternating party member in
7 between. We try and alternate Republican and Democrat but
8 we are going in order of appearance also. So it kind of
9 reminds me of when my drill sergeant in basic training told
10 us all to fall in, in alphabetical order, by height. That
11 kept us going for three days before we figured out how to do
12 that.

13 Mr. Blumenthal.

14 Senator Blumenthal. Thanks, Mr. Chairman, and thank
15 you, Mr. Byrne, for your service to our nation. Thank you
16 for being here, and thanks for stopping by my office to talk
17 about your nomination, about some of the very pressing
18 issues that I know you have been addressing, even as you
19 have been acting in this position.

20 I am very concerned that, to date, the VA has failed to
21 compensate and care for veterans who were exposed to burn
22 pits. It seems like we are repeating the same mistake that
23 we did on Agent Orange, on toxic substances and other kinds
24 of poisons. In the modern battlefield we have failed to
25 address the health problems of veterans who suffer from the

1 painful and debilitating effects of the battlefield.

2 And I would like to just mention one of my
3 constituents, Army veteran Peter Antioho. He served in
4 Vietnam--I am sorry, in Afghanistan in 2012. While serving
5 in Afghanistan, Mr. Antioho would routinely walk by open
6 burn pits riddled with toxic waste and chemicals. Five
7 years after he served he was diagnosed with terminal brain
8 cancer at the age of 31.

9 He is now fighting for compensation, literally fighting
10 for compensation for his illness. He has been rejected for
11 that compensation. With the help of my staff and the
12 Connecticut Veterans Legal Center and the American Legion he
13 has submitted medical records as well as statements from his
14 doctors and commanders to prove a link between his cancer
15 and the exposure to burn pits.

16 I would like your commitment, if you are confirmed, to
17 personally look into his situation, but also to put the VA
18 on a path to support veterans who have been exposed to these
19 toxic substances in burn pits and other spaces around the
20 modern battlefield.

21 Mr. Byrne. Yes, sir.

22 Senator Blumenthal. Thank you. Speaking of Agent
23 Orange and the Blue Water Navy, as you well know, and we
24 discussed it in my office, this Secretary recommended that
25 the VA not appeal the recent Federal Circuit Court ruling,

1 9-2 ruling, in January, that Blue Water Navy veterans are
2 eligible for benefits to treat their illnesses. The
3 Department of Justice is now reviewing that recommendation.
4 Do you know what is stalling the Department of Justice
5 reaching a decision?

6 Mr. Byrne. No, sir, I do not. They have a 30-day
7 extension that I think ends within the next couple of days.

8 Senator Blumenthal. Do you expect within the next
9 couple of days there will be a decision?

10 Mr. Byrne. Yes, sir, and I do not believe they are
11 going to ask for an additional extension.

12 Senator Blumenthal. I hope you are right, and I
13 understand that the Office of Management and Budget is in
14 agreement with your recommendation. Is that correct?

15 Mr. Byrne. Yes, sir.

16 Senator Blumenthal. Let me turn to another topic that,
17 again, you and I discussed--capital investment necessary for
18 our health care facilities, West Haven being a prime
19 example. As we noted and we agreed, the West Haven facility
20 is sadly obsolete and out of date in terms of its structural
21 adequacy--no other word for it. It is inadequate by today's
22 modern standards, to provide health care. Despite the
23 valiant efforts of a very dedicated and highly skilled
24 professional staff--doctors, nurses, volunteers--at the VA
25 facility in West Haven, that structural defects, or set of

1 failings, is gravely imperiling the health care provided in
2 surgical facilities and a variety of other areas.

3 So I would like your commitment that you will undertake
4 a thorough review of that facility, put it on a priority
5 list, and enable all of our VA facilities to be brought into
6 the 21st century.

7 Mr. Byrne. Certainly the review we can conduct, sir,
8 but I am hesitant to make a promise to you, in front of this
9 body, under oath, that I will ensure that West Haven, in
10 particular, is a priority, and I hope you could appreciate
11 that.

12 Senator Blumenthal. Well, at least I would like your
13 assurance that it will be put on a list, that it will be
14 under consideration, that it will be given--

15 Mr. Byrne. Certainly.

16 Senator Blumenthal. --the attention that it deserves.

17 Mr. Byrne. Most certainly, sir.

18 Senator Blumenthal. And so far as the sterilization
19 facility, I would like your commitment that you will report
20 to me any delays in the current schedule to have the
21 temporary trailer facility operational by no later than this
22 fall, and to put the permanent surgical sterilization
23 processing facility on an expedited track.

24 Mr. Byrne. Yes, sir, and that is happening. That is a
25 patient safety issue, and thank you for putting a light on

1 that for us.

2 Senator Blumenthal. Thank you. Again, thank you for
3 your service.

4 Mr. Byrne. Thank you, sir.

5 Chairman Isakson. Senator Sullivan.

6 Senator Sullivan. Thank you, Mr. Chairman, and, Mr.
7 Byrnes, good to see you again. Thanks for your service
8 already, not only to the VA but to our country and the
9 military and the Marines, and it is great to see your family
10 here. It is really nice. It is not always easy, having
11 daughters myself, to watch your dad go through these
12 confirmation hearings and get a little roughed up, but it is
13 a family effort and so we are really glad and appreciative
14 of your family being here, because these kind of public
15 service jobs are--you know, they are all in for everybody.
16 So I want to thank you and your family and your kids for--
17 Mr. Byrne. Sir, for the record, this is a fraction of
18 my family.

19 Senator Sullivan. That is what I heard.

20 Mr. Byrne. We have been very blessed.

21 Senator Sullivan. That is impressive. That is great,
22 actually. It is wonderful.

23 We had a good conversation a couple of days ago,
24 especially around the idea of giving states like Alaska the
25 flexibility and autonomy to manage its VA resources in a

1 manner that best serves the veterans, the communities,
2 mindful of the taxpayer dollars. And you had cited the--
3 what I view as kind of the innovative--and I think you view
4 it--innovative example of the North Chicago Federal Health
5 Care Center as a leading example with the Great Lakes DoD
6 facilities and the VA facilities, which bridges kind of the
7 local VA, the DoD, and integrates all of that into a single
8 federal health facility with a combined mission.

9 A system like this is designed to improve access,
10 readiness, quality, cost effectiveness, and health care
11 delivery for both veterans and active duty members and their
12 beneficiaries. Do you agree with that characterization of
13 that FHCC model there in North Chicago?

14 Mr. Byrne. Yes, sir. I think it is a wonderful,
15 wonderful pilot program that hopefully will get some
16 traction. And in our discussion the other day you had
17 proposed Elmendorf, I think--

18 Senator Sullivan. Yeah.

19 Mr. Byrne. --as one of those facilities, and it makes
20 perfect sense.

21 Senator Sullivan. Well, good. We would like--and I am
22 confident you are going to get confirmed--but as you know,
23 Alaska, despite having more vets per capita than any state
24 in the country, actually has no full-service VA medical
25 facility, which I think surprises a lot of people. And as

1 you mentioned, we do have this opportunity at JBER, Joint
2 Base Elmendorf-Richardson, for a full-service federal health
3 care center, similar to North Chicago.

4 If confirmed, can you commit to me to work with my
5 office, this Committee, and the VA on collectively looking
6 at how to move forward a proposal like that?

7 Mr. Byrne. Yes, sir. Certainly.

8 Senator Sullivan. Let me ask another kind of related
9 question. We actually have, I think, a really good-news
10 story in Alaska. When I got here in the Senate a little
11 over four years ago, when it was kind of a meltdown as we
12 talked about the Choice Act essentially destroyed the system
13 in Alaska. It was a total disaster.

14 We had many CBOCs that had not had physicians for
15 years, literally years, and with some of the great work the
16 Chairman and others have done and a highly motivated local
17 leadership, Dr. Ballard, who runs our VA in Alaska, we are
18 getting more physicians into CBOCs across the state, and, at
19 the same time, there has been requests, and I think the
20 headquarters has looked upon these favorably, to--with more
21 doctors, more veterans, looking at space expansion requests
22 for these key Alaska CBOCs throughout the state.

23 Unfortunately, the ability to expedite or even kind of
24 juggle these, it looks like they are kind of being lined up
25 sequentially, because of, I think, essentially one person

1 within the VISN contracting office works on them. If
2 confirmed, can you work with me, Mr. Byrne, and again, this
3 Committee, on looking at ways to help expedite that? The
4 fact that we have kind of pent-up demand, now that we are
5 getting physicians there to help expedite, or at least look
6 at these different requests from the Alaska VA simultaneous
7 would be very helpful in trying to move these forward. Can
8 I get your commitment on doing that?

9 Mr. Byrne. Yes, sir.

10 Senator Sullivan. Let me ask one final question that
11 is more general. The first bill that I co-sponsored in the
12 Senate was the Clay Hunt Suicide Prevention Act, which was
13 named after a young Marine who unfortunately took his own
14 life after a couple, you know, tours in Afghanistan, I
15 believe, as a sniper. It was a very bipartisan bill. But
16 we are still having huge challenges with our veteran suicide
17 issue. What more can the VA be doing, in your view, and
18 what more can this body be doing? A number of us have co-
19 sponsored another bill that builds on the Clay Hunt Suicide
20 Prevention Act, but how can we really get our arms around
21 this, and what should we all be doing collectively?

22 Mr. Byrne. Thank you for that question, sir, and
23 earlier in the hearing I gave kind of a long answer, which I
24 would be glad to deliver again. But this body has been very
25 helpful, particularly the \$222 million that they have

1 allocated for us specifically for suicide prevention, and
2 all the programs that go with that, from the end of the
3 chain--we are trying to work our way back up the chain--the
4 end of the chain being the crisis line, the Veteran Crisis
5 Line, intervention in hospitals of veterans that are trying
6 to take their own lives, back to programs as in the veteran
7 care coordinator--I mean, sorry--the suicide prevention
8 coordinators, the 400 that we have within the VA. We are
9 trying to move things back in using that \$222 million.

10 There is not--we can always do more. And so any
11 creative idea, any thoughts are welcome. The President just
12 signed an Executive order to try to harness the resources of
13 the Executive branch and then local communities, academia.
14 I mean, he opened the aperture wide open. Mr. Wilkie is
15 leading that effort.

16 But we are not winning right now. I mean, it is the
17 ground truth. It is a reality. We are still at 20 a day,
18 and that is not moving, and it needs to be start moving.
19 There are so many factors that are involved in it that I do
20 not fully understand or appreciate, and I am not sure
21 anybody does, and that is part of the challenge.

22 We, the experts, say there are 25 factors--the
23 loneliness, financial instability, maybe homelessness, maybe
24 substance dependency. There are 25 of those factors. And
25 so what I hope the VA is doing is they are looking at those

1 factors and trying to address those as well, as far up the
2 chain of events as possible so that we do not have to do
3 saves with the call center, we do not have to do saves like
4 the 240 we had over the last 18 months on our properties and
5 in our facilities.

6 And so your question was what can you do to help. I
7 think you all have been very helpful, and we are very
8 appreciative of the resources. It if was as simple as
9 saying, "Hey, we need some more money so that we can have
10 more public service announcements," or "have more police
11 officers patrolling our campuses" or "have Tom Hanks do more
12 PSAs," we would do that. We do not think that is
13 necessarily the answer. It is a comprehensive--and there is
14 a culture in our country right now that is, I think,
15 different than it was 20 or 30 years ago, and I probably
16 should not go down that path necessarily.

17 But the stigma with mental health is, I think,
18 something that kind of troubling and concerning, and if you
19 could shine a light on that in your talks and in your
20 speeches around the country, I think that would be
21 tremendously helpful. Our leadership position, maybe
22 explaining that the continuum of mental health is similar to
23 the continuum of physical health.

24 There are days--a person in this body, probably not--he
25 left early from the hearing. Senator Tester is not physical

1 at his peak today. Is that fair to say, sir? Is that--is
2 that maybe protected health information? He is not at his
3 peak today, like some of us may not be at our peak today
4 physically. And we talk about that, and I am feeling a
5 little punk today, a little under the weather. I have got a
6 sprained ankle. I have got a chronic pain; my back hurts.
7 We do not do that in the mental health arena because there
8 is a stigma that surrounds it. And they are both very much
9 the same, right? Some of these issues are chronic, and some
10 of these are just episodal.

11 And if we can get the dialogue out there to say, "If
12 you have a dip in your mental health, there is treatment and
13 care, medication that can help you get back on path." If
14 you all would be a bully pulpit for that I think you would
15 be tremendously helpful. And I plan on doing that in the
16 talks that I hope to be giving over the next however long I
17 am in this position. Add that to sort of my spiel that I
18 give when I go out on the street.

19 Senator Sullivan. Great. Thank you. Thank you, Mr.
20 Chairman.

21 Chairman Isakson. That was a great question and also a
22 terrific answer. I have been in public life a long time, 41
23 years, and the two biggest problems, challenges we face are
24 suicide in veterans and homelessness in America, and both of
25 those are mental health issues. We abandoned mental health

1 coverage for a while and that is why we have got a lot of
2 homelessness. The same thing is somewhat true with the
3 accessibility of the counseling in our veterans. So your
4 priority is exactly correct and that is where we need to
5 spend our time.

6 I think--am I right?--that we go to Senator Brown and
7 then Senator Tillis. Am I right. Okay.

8 Senator Brown.

9 Senator Brown. Thank you, Mr. Chairman. Mr. Byrne,
10 thank you for joining us and thanks for the discussion last
11 week in my office about Agent Orange and burn pits and the
12 Blue Water Navy, and, you know, those toxic exposure issues.
13 I want to thank Senator Isakson for his comments on veteran
14 suicide, and just recently a veteran in Cleveland Heights
15 VA, from Cleveland Heights, took his own life, and that has
16 just happened far too often.

17 I want to follow up on a point that Senator Tester
18 raised. The Office of the Inspector General and the
19 invaluable independence of that office. During our meeting,
20 your comments about one of its upcoming reports gave me some
21 pause. We recently learned about your role adjudicating the
22 discipline of an OGC employee found by OIG of violating VA's
23 anti-nepotism statutes. According to the VA's--the VA,
24 quote, "The anti-nepotism statutes and regulations prohibit
25 a public official from appointing, employing, promoting, or

1 advancing a relative or advocating such an active in favor
2 of the relative," unquote. you know that.

3 It is my understanding during your meeting with staff
4 yesterday that you said you can only find on the very narrow
5 issue of whether this individual improperly shared VA
6 sensitivity--that sensitive data not nepotism, conflict of
7 interest, or false statements, because of actions taken by
8 the proposing official.

9 The VA, however, sent a document, to just the majority,
10 mind you, and that cannot happen in this Committee.
11 Fortunately, the Chairman shared it with the minority. That
12 is your responsibility. We do not do things that way, pick
13 partisan channels in this Committee. Maybe in your previous
14 life or maybe other places they did but our Committee does
15 not operate that way, so do not do that again.

16 But anyway, the Department sent the document to the
17 majority that OIG found a conflict of interest. The Office
18 of Accountability and Whistleblower Protection recommended
19 conduct unbecoming related to the conflict of interest and
20 so did the proposing official. Reporting from the document,
21 "Actions with respect to his wife's hiring created the
22 appearance of legal and ethical impropriety." You, however,
23 did not sustain that recommendation, based on information
24 that the accused sent to you, the deciding official.

25 I will withhold my final judgment of the specific

1 outcome while I review, and my staff reviews additional
2 documents, but this is not how we intended the
3 accountability bill to be implemented. These conflict of
4 interest cases are exactly what should be going after--we
5 should be going after, not low-wage employees. The deputy
6 needs to show unimpeachable judgment. Undercutting the
7 independent IG is just simply wrong.

8 Let me shift to something else and ask you a couple of
9 questions. I am the Ranking Member of the Senate Banking
10 Committee, and have been following the issues related to VA
11 mortgage lenders closely. In a rulemaking last year, the VA
12 stated that some VA mortgage lenders' aggressive refinance
13 practices were essentially, quote "subprime lending under a
14 new name," unquote. Yet VA did not begin a rulemaking to
15 protect veterans until Congress mandated it. I continue to
16 hear that VA's new rule is insufficient. I would add the
17 CFPB has not been helpful in this. They do not advocate for
18 veterans, this new CFPB. It just means that much more we
19 need you to.

20 The VA Inspector General is also concerned. Just last
21 week, the VA Inspector General and the U.S. Attorney for the
22 Eastern District of New York reportedly subpoenaed loan
23 files as it began investigating VA lenders.

24 My question is this: If confirmed, what will you do to
25 protect veteran homeowners from aggressive and misleading

1 lending practices, and is the VA actively working with CFPB
2 to address financial harm to veterans? I ask those two
3 questions in the context of this new CFPB director has shown
4 no interest in supporting veterans, no interest in the
5 military loan--in the Military Lending Act, all the things
6 that the former CFPB seemed to care about. This one does
7 not. The responsibility is really on the VA because of
8 that, so your thoughts on that, sir.

9 Mr. Byrne. Thank you for the question, sir, and I do
10 not know but I will find out the answer regarding the CFPB.
11 But I can tell you that it is very much on the senior
12 leadership's radar screen about some of the aggressive
13 refinancing practices on our veterans. And I believe you
14 said it accurately, that we are in the rulemaking process
15 that I do know is not popular in certain segments of our
16 country that do this.

17 And so I believe you said that right, that we have not
18 completed the rulemaking process and maybe we disagree on
19 whether it is aggressive enough or not. But it should be
20 implemented very soon. And I will get back to you with an
21 answer on that.

22 But I agree. I agree. That refinancing puts these
23 veterans further and further in debt, and that is not the
24 intent of refinancing. That is not the intent of the VA-
25 backed loans. So I will--I will assure you I will look into

1 this and get some resolution on it. It is an important
2 matter.

3 Senator Brown. Thank you, and I will reiterate. There
4 are three people at this table right now who are on the
5 Senate Banking Committee. We all recognize that the CFPB
6 has shown--and I do not want to speak for Mr. Tillis, but at
7 least I recognize the CFPB has shown not nearly the level of
8 interest in protecting veterans from the kind of predatory
9 practices of non-bank, shady oftentimes lenders. Sometimes
10 bank lenders too, but especially non-bank lenders.

11 You know, outside of every military base in the country
12 there are all kinds of opportunities, if you will, for
13 veterans to be "served"--I use that term in quotation marks--
14 -by all these lenders, and we need, you know, in a very
15 vulnerable time in these families' lives, when their husband
16 or wife, or sister or brother, or father or mother,
17 whatever, is overseas, especially, we need a government
18 standing with those veterans to protect them against these
19 practices.

20 I again say the CFPB has been less than aggressive. It
21 just means we need you that much more to weigh in. If you
22 think you cannot act in certain circumstances call us and we
23 will work to get the CFPB to act, or we will act. So that
24 is my really only admonition to you.

25 Mr. Byrne. Thank you, sir.

1 Senator Brown. Thank you, Mr. Chairman.

2 Chairman Isakson. At the risk of putting off Mr.
3 Tillis any longer I want to say one thing about what you
4 just said. This is one thing I know a lot about because I
5 did it in my private life, and that is real estate sales and
6 VA loans, et cetera. And one of the biggest mistakes
7 everybody makes is to think the VA makes loans. They do not
8 make loans. They insure loans. They have an underwriting
9 procedure for the insurance of those loans but the private
10 sector makes those loans.

11 The biggest case of flipping I ever saw was a few years
12 when VA lawyers were closing a VA refinance, when the VA
13 caught them flipping refinances over and over and over again
14 to get a \$150 fee, but the only way they could get it was to
15 get the veteran to refinance the loans. So their motivation
16 for the veteran to get a refinanced loan was for them to get
17 a \$150 fee. And I am not going to name anybody, but to the
18 credit of a large bank in this country they solved their
19 problem, they fixed it, and a lot of people got their money
20 back, and I appreciate that.

21 But there have continued to be those in the mortgage
22 business who are originators and creators of mortgages, that
23 flip them. In fact, the nature of the business of a
24 mortgage is you make it as fast as you can, you underwrite
25 it as well as you can, and then you sell it as fast as you

1 can. And the people that make the money are the people who
2 service, over the long term--they collect the payment, they
3 send the payment in, et cetera--and the person who
4 originates it, they a 1 percent fee at the beginning and
5 that is it.

6 So we have to--I will be glad to work--since I do know
7 a little bit about it--enough to get in trouble anyway--
8 about the subject, I would be glad to work with you and work
9 with the VA to sit down and take a look at the current
10 practices on VA lending, because I got involved in it four
11 or five years ago and we stopped some stuff that was--where
12 people were abusing the rules in the interest of a provider
13 service, i.e., a closing attorney, not in the interest of
14 the veteran, and we ought to never let that happen.

15 So I am sorry for interrupting you.

16 Mr. Tillis.

17 Senator Tillis. With that, just to put one more note
18 in that regard, that is why we--you know, there are probably
19 not a whole lot of things that Senator Warren and I share in
20 common, in terms of banking regulations, but this happened
21 to be something that we took up, Mr. Chair, as a bill for
22 some of the churn that was going on. And I appreciate
23 Ginnie Mae working with us to actually put something forth
24 that we did on a bipartisan basis.

25 Look, they need--military families and veterans need

1 access to capital, but it always has to be beneficial to
2 them, and we will work with you all as well, and are always
3 looking for other opportunities to make sure we are taking
4 care of military families and veterans and veterans'
5 families.

6 I want to go back. I think you made a very important
7 point on suicide prevention, and I think it does go back to
8 awareness and removing the stigma, and I really do think
9 that members need to think about what that means. Because
10 oftentimes I have gone into meetings, specifically on mental
11 health, where people want to remove the stigma. And then
12 you hear them whispering about a challenge that they may
13 have in their own family. Well, you are perpetuating the
14 stigma when you do that. A mental health condition is no--
15 it is a different physiological condition. We need to talk
16 about it or we are a part of the problem that has this
17 unacceptable rate, not only among veterans but society as a
18 whole. So I appreciate you calling on us to do our part. I
19 think more of us need to do it, and I, for one, will.

20 One thing, and it relates to the electronic health
21 record. I know that you are the senior accountable officer
22 for the implementation. I think that is something that we
23 should be looking at. I know that you are moving through
24 the systematic implementation and I want to get a brief
25 update on that.

1 But I think now is also the time to engage the DoD to
2 find what kind of information, what kind of markers could we
3 potentially identify over a servicemembers active status
4 that could be helpful to identifying, almost predicting
5 possible mental health challenges before the man or woman
6 even knows it exists. And I think we need to find a way to
7 get the DoD and the VA to work together so that as you go
8 through the implementation we make sure that we are passing
9 that kind of information.

10 I think it could be instructive to the transition
11 process. I believe one of the reasons why we are seeing the
12 rate of suicide that we do is we do not really understand
13 the condition of the veteran from the time that they move
14 from active or reserve status into veteran status. I think
15 that we should focus on that as one of the first things that
16 we should be able to exploit and leverage by having common
17 and compatible electronic health record system.

18 Now I would like a general update on the
19 implementation. By the way, I will be supporting your
20 nomination. You are going to get confirmed.
21 Congratulations in advance. Family, congratulations.

22 So with that I just really want an update, unless you
23 give me a really bad answer on the electronic health record
24 implementation. Directionally, that is where I am going,
25 but a quick update, Mr. Byrne.

1 Mr. Byrne. Sure, quickly can I take 20 seconds on
2 reachback? And you were not here earlier when I gave a
3 little talk on an analytical program that we have called
4 Reach Vet that does exactly what you are talking about with
5 the analytics, of data points, of records that we have in
6 the VA system. And if we could reach back into DoD to get
7 those indicators before they come over during transition you
8 are exactly right. We can catch them better.

9 Senator Tillis. Well, count on me to help you get that
10 done.

11 Mr. Byrne. Yes, sir. And I am putting some of that on
12 me. I serve as the co-chair with my DoD colleague over at
13 the Department of Defense on the Joint Executive Council,
14 and those are the exact types of issues that we actually
15 talk about. And so I promise you that I will carry that
16 back to the right bodies that can actually hopefully execute
17 on that.

18 Electronic health records modernization, a \$16 billion
19 effort over almost 10 years. IOC, the beginning of the
20 second quarter of next year, in the three sites in
21 Washington State. We have done a ground-up training, a lot
22 of lessons learned from DoD, and we have a great leader in
23 charge, a gentleman named John Windom who came over from the
24 Department of Defense, a retired Navy captain.

25 Senator Tillis. Right guy for the job.

1 Mr. Byrne. Exactly. Glad you agree, sir. And we are
2 on track to get not only executed at the IOC here next year
3 but we are planning ahead, right. I mean, this is not a do
4 three, and then let us regroup, and then do three more
5 sites. We are laying the foundation to roll this out across
6 the country.

7 And simultaneous with the rolling out of the Cerner
8 project, we made the decision to go ahead and roll out the
9 scheduling tool in a dual track across the country. So it
10 will be done--scheduling capacity will be done all across
11 the VA well in advance of the rollout of the actual Cerner
12 product.

13 And so I am really feeling pretty optimistic about
14 that. And as you know, there is a lot of coverage around
15 that. There are IT modernization efforts that have to go on
16 contemporaneous with that, around with that, and then the
17 VHA training of the work flows and the providers. And I
18 think we are doing a really good job as far as having these
19 workshops and working--and when I said ground up, I mean, we
20 are talking to the practitioners, like how are you going to
21 use this? What can we do to make this easier for you to use
22 to provide that treatment to the veterans? And I think that
23 is why we are going to have a little more success than DoD
24 has had.

25 Senator Tillis. What about this general--I do not see

1 anybody else here, Mr. Chair, so if I could just ask one
2 more question?

3 How about just general key performance indicators on
4 the project. Are we tracking well on date and cost?

5 Mr. Byrne. Yes, sir, we are. As a matter of fact, we
6 are under-running, and we have gotten some queries--I do not
7 want to say pushback--but some queries about under-running
8 in the funding. So I have an answer for that that I think
9 is acceptable and proper and I think you would like to hear,
10 is that, one, John Windom is being very fiscally
11 responsible, and two, he is purchasing, for example,
12 equipment "just in time," I think is the phrase. Instead of
13 buying technology now, having it sit in a warehouse for six
14 months or five months, he is waiting to buy that later on.

15 And so we are on track financially, we are on track
16 with the schedule. We have identified limiting features.
17 This is something that I pounded pretty hard at some
18 meetings recently. We have some challenges or some concerns
19 with communications closets. I know a little bit more about
20 communication closets that I ever probably wanted to know.
21 But that is a limiting feature for us to be able to role out
22 EHRM across the country. And we do not yet know what these
23 communication closets look like in our various facilities,
24 and that is a limiting feature.

25 And so I kind of digressed on that but I am pretty

1 bullish and pretty optimistic about where we are with EHRM,
2 and I do not want to make any promises that we are going to
3 accelerate it. Ten years seems like a long time for me. We
4 are setting the foundation and the governance to have it be
5 executed, but when we roll out the IOC I think we are going
6 to get a much clearer picture of our ability to accelerate
7 this rollout across the country. Ten years is an incredibly
8 long time.

9 Senator Tillis. Well, thank you. One thing I would
10 like to do, just outside of the committee setting, but I
11 would like to get your commitment to have--since I have had
12 a background in large-scale systems integration work in my
13 prior job, I would very much appreciate some briefings on a
14 regular basis with the project team, just so I can see your
15 dashboard and the implementation as you hit certain
16 milestones. So our office will be in touch so that we can
17 have that meeting.

18 And as I mentioned to you, when you came into the
19 office, I would like to do that on you all's turf too, so
20 you do not have to come over here. I would like to come
21 visit the project teams and see it in action.

22 Mr. Byrne. Certainly. If you are interested in going
23 to any of our IOC sites or the second-phase sites, we
24 welcome that as well.

25 Senator Tillis. The last thing I would leave you with

1 is I just want to thank the VISN 6 leadership. They are
2 doing a great job. And they have done a really good job of
3 us meeting, either through conference call or in person on a
4 regular basis. I really appreciate them taking the time to
5 do it. We are going to continue to do it in North Carolina.
6 Thank you.

7 Chairman Isakson. Senator Boozman.

8 Senator Boozman. Thank you, Mr. Chairman, as always.
9 Thank you for your leadership and great work. We appreciate
10 you being here, and I appreciate your leadership and getting
11 to know you and working with you. Also, your service in the
12 Marine Corps, and once a Marine, always a Marine. That is a
13 good thing. And then again, your willingness to serve. You
14 are a talented guy. You could be doing lots of different
15 things. So you and others, you know, that are willing to do
16 these jobs, and they can be very, very difficult jobs. We
17 really do appreciate that.

18 As you know, I am chair of the MilCon VA Subcommittee
19 on Appropriations, and so something that I felt very
20 strongly is the IG work. And we had a--we were able, last
21 year, to develop a bill that had \$192 million in it for the
22 IG for VA, \$20 million over the President's budget. And we
23 did that because the VA is a huge organization. It has such
24 a broad portfolio--it is into everything. And sadly, you
25 know, at different times in its history has had, you know,

1 some troubles. And so it is important, you know, that the
2 oversight is there, and I know you know that because you
3 used to be, you know, an old IG earlier in your career,
4 overseeing Iraq reconstruction, and that was another area
5 that had some problems.

6 So in the office we had a good visit and I think that,
7 you know, I understand that you share, you know, that
8 concept of how important these things are. But I just would
9 like to ask a couple of question, just to get it straight.
10 So can Congress get your commitment that as Deputy Secretary
11 of the VA you will use the IG as a tool for managing and
12 maintaining the Department meets the high standards of
13 professionalism and integrity?

14 Mr. Byrne. Certainly.

15 Senator Boozman. Good. Very good. Thank you.

16 As the Deputy Secretary of the VA, if you find that an
17 IG report was improperly handled, is incomplete, or lacks
18 credibility, how do you plan to handle that situation in the
19 future? And I guess what steps will you take to ensure the
20 reliability of IG reports?

21 Mr. Byrne. Sir, I have a good working relationship and
22 an open line of communication with the IG, Mr. Mike Missal.
23 And so any issues or challenges that I have had or will
24 have, I would go directly to him and he has been very, very
25 responsive and I will continue to do that, sir.

1 Senator Boozman. Good. And that is so important, and
2 I know you will, and certainly we will encourage that in
3 collaboration. That is just how it has to be.

4 Congress has been clear about our intent that VA hold
5 all employees accountable for misconduct, regardless of
6 their seniority in the organization. Employees at the VA
7 need to be confident that their decision-makers will address
8 misconduct professionally and without bias or undue
9 influence. How will you use your role as Deputy Secretary
10 to ensure that there is confidence in how senior leaders
11 hold employees accountable?

12 Mr. Byrne. Well, Mr. Wilkie has set the tone from the
13 top, right? Perform with excellence, perform with
14 integrity. And so from my position that is the message that
15 I hopefully exhibit and demonstrate. But I do have
16 operational oversight, leadership responsibility of OAWP,
17 HR, OGR, legal department, and I say that as sort of
18 performing the duties of the deputy now. And I will
19 continue to do that.

20 I think I have been very clear that that is incredibly
21 important in a bureaucracy such as ours, that there is
22 integrity and trust in the system, trust in leadership, and
23 it needs to start with the role models at the top, period.
24 And I do not have any issues holding people accountable. I
25 take that very seriously because these are real people with

1 real futures, and I look at the totality of things. But we
2 have moved people on from senior leadership positions who
3 were not serving the veterans as well as we thought they
4 should be and what the American people expect us to do.

5 So I hope I have a pretty good track record in that
6 areas. At least that is what I believe you are hearing.

7 Senator Boozman. No, no. Very much so. And again, as
8 you say, Secretary Wilkie, yourself have set that tone, and
9 we do appreciate that. It is so, so very important.

10 So we look forward to continuing to serve with you in
11 the future, and we do appreciate all of your hard work, and
12 you know, just all of us working together to try and make
13 sure that our veterans are taken care of in the way that we
14 promised. You know, it is easy to forget that these are
15 earned benefits versus, you know, just gimmes.

16 So again, thank you very much. It is good to see your
17 family here. I have got three daughters. I understand all
18 about you guys. So take care.

19 Mr. Byrne. Thank you, sir.

20 Chairman Isakson. Thank you, Senator Boozman, and
21 thank you very much for your time all you have done for your
22 country already. We appreciate your service very much.

23 This will conclude this hearing. We will leave the
24 record open for five days, if I am not mistaken, for any
25 questions from members or any responses that you want to

1 leave with the Committee in writing. If there is no--any
2 further business to come before the Committee? If there is
3 none we stand adjourned.

4 [Whereupon, at 11:16 a.m., the Committee was
5 adjourned.]

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