

Chairman Daniel K. Akaka

OPENING STATEMENT

Hearing on the Nomination of Dr. Robert Petzel to be Under Secretary for Health, Department of Veterans Affairs
December 9, 2009

On November 18th, the Senate received the nomination of Dr. Robert Petzel to serve as Under Secretary for Health of the Department of Veterans Affairs. Today's hearing is an important step in the Committee's process of consideration on this pending nomination.

The nominee before us has distinguished himself as a physician, an educator, and an administrator. He has served in many capacities in the Veterans Health Administration, as a Chief of Staff at a VA medical center, as a Network Director and, most recently, as the Acting Deputy Under Secretary for Health. Dr. Petzel has, through his long career in VA, acquired impressive experience in the VA system, and demonstrated a commitment to improving health care for the nation's veterans. It is my firm belief that only someone with qualifications such as those possessed by Dr. Petzel could meet the challenges facing the next VA Under Secretary for Health.

VA is the largest health care organization in the country and has experienced significant growth in recent years. Yet, its leaders have been unable to plan effectively for the future because they were never sure how much funding VA would receive in the coming years.

With advance funding for VA health care now a reality, this will be much less of an issue. However, since resources are sure to be tight during this economic downturn, appropriated funding provided to VHA must be used wisely.

Highly publicized failures of VA to deliver quality health care, and a lack of accountability at high levels for those failures, have impacted veterans' confidence in the system and the morale of the dedicated men and women who work for VA. There has been significant change in the organizational structure of VHA in recent years. When VA's Networks were created in the mid-1990s, they were envisioned as lean management structures with less than a dozen employees. Today, VA's networks employ at least 1000 individuals, many in positions without any direct responsibility for the delivery of health care services.

As modern medicine is able to save more lives on the battlefield than ever before, VA is facing new challenges in adapting to the needs of the most seriously injured. Recently, the Senate unanimously passed S. 1963, the proposed "Caregiver and Veterans Omnibus Health Services Act of 2009." This legislation is one part of a larger effort to give VA tools to address the needs of the newest veterans. If enacted, this measure will provide vital support for the caregivers of the most seriously injured veterans from the Iraq and Afghanistan wars, and improve services to almost every group of veterans, including women veterans, veterans who live in rural areas, and homeless veterans. The caregiver provisions recognize the unique needs of the latest generation of veterans, providing health care, counseling, support, and a living stipend to those who care for the nation's wounded warriors.

Dr. Petzel has advocated for a new structure in VA, which would create service lines. These service lines would ensure accountability among senior leadership for the services provided in VA hospitals and clinics throughout the country. He has also stressed the need to work to improve the quality of services across the system, so that veterans receiving care from the smallest VA clinics to the largest VA hospitals will receive high quality care.

As a former Network Director, and now Acting Principal Deputy Under Secretary of Health, Dr. Petzel has both the perspective and the credibility among his peers to succeed as VA's Under Secretary for Health. I am convinced that Dr. Petzel can ensure that VA is the health care provider of choice. Our Committee looks forward to partnering with Dr. Petzel and his colleagues in VA as we move forward with the goal of providing the best care anywhere to the nation's veterans. My desire is that the Committee move expeditiously to confirm Dr. Petzel so that he can assume the role of the head of the Veterans Health Administration.

Thank you and I would like to invite to the table our next nominee.

I am delighted that with this nomination and Dr. Petzel's, we are closer to providing Secretary Shinseki with his full leadership team at VA. I am hopeful that this Committee, and then the full Senate, will move expeditiously to consider Dr. Perea-Henze's nomination. It is important that the position Assistant Secretary for Policy and Planning be filled as soon as feasible.

Dr. Perea-Henze has extensive public and private sector experience. Most recently, he was a senior executive at Pfizer and Merck. Earlier, he served as deputy assistant secretary of Commerce for Management and Budget and senior health care advisor at the White House during the Clinton Administration. Dr. Perea-Henze's academic background includes a medical degree from a university in Mexico, and a Master's Degree in Public Health, with a concentration in Health Policy and Management, from Yale University's School of Medicine.

The Assistant Secretary for Policy and Planning provides advice, plans, and reports to the Secretary and other VA senior leaders in the areas of corporate policy, strategic planning, and management improvement to support VA's endeavors to provide benefits and services to our Nation's veterans in an effective and efficient manner. I have received every indication that Dr. Perea-Henze's combined service in the public and private sector, is well-regarded and will be pertinent to the position for which he has been nominated.

Dr. Perea-Henze I will tell you the same thing I told Secretary Shinseki during his confirmation hearing – assuming your confirmation as the next Assistant Secretary for Policy and Planning, you will face tremendous challenges. In my view, holding a leadership position at VA is one of the most challenging jobs, in or out of government, and that is never truer than in a time of war as we are at present. I look forward to your testimony today, your responses to questions from Committee members, and to any post-hearing questions.

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