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REVIEW OF THE FISCAL YEAR 2024 BUDGET AND 2025 ADVANCE APPROPRIATIONS REQUESTS FOR THE DEPARTMENT OF VETERANS AFFAIRS

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE

ONE HUNDRED EIGHTEENTH CONGRESS

FIRST SESSION

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REVIEW OF THE FISCAL YEAR 2024 BUDGET AND 2025 ADVANCE APPROPRIATIONS REQUESTS FOR THE DEPARTMENT OF VETERANS AFFAIRS

WEDNESDAY, MAY 17, 2023

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 3 p.m., in Room SR–418, Russell Senate Office Building, Hon. Jon Tester, Chairman of the Committee, presiding.

Present: Senators Tester, Murray, Brown, Blumenthal, Sinema, Hassan, King, Moran, Boozman, Tillis, Sullivan, and Blackburn.

OPENING STATEMENT OF CHAIRMAN JON TESTER

Chairman TESTER. I am going to call this hearing to order. We are a little bit ahead of schedule but not so much. I want to thank Secretary McDonough and our VSO friends and partners for joining us today.

For those of you who are joining us on television, I would just say you will hear a great opening and questioning of the Secretary of the VA, and then what is really going to be interesting is we have three folks from the VSOs—Morgan Brown, Shane Liermann, and Patrick Murray—who are going to give a combined statement, which will be particularly entertaining, I think. So it will be good.

Senator MORAN. So we have something to look forward to.

Chairman TESTER. We do. We do.

We are here to take a closer look at the President's fiscal year 2024 budget request from the Department of Veterans Affairs. At a time when there is unprecedented demand for VA health care and services, we have to ensure the Department is well equipped to care for our veterans.

Over the last fiscal year, VBA completed more than 1.7 million disability compensation and pension claims, a lot, and a new record it was. And VHA has served over 6.3 million veteran patients, or more than 115 million appointments. The truth is, demand is only increasing. Last summer Congress came together to pass the PACT Act, a historic step that has already delivered all eras of toxic-exposed veterans and survivors their VA care and benefits, that they have earned, by the way. This law created the Cost of War Toxic Exposure Fund to cover the new costs of delivering this earned support.

I have serious concerns with proposals out of the House to gut the fund. Whether it is attempts to relitigate the nature or purpose of the fund or to place artificial caps or make dramatic cuts to the fund, it is all bad news.

And I might say this. We send folks off to war, we put it on the credit card. They come back and we make excuses not to fund their benefits. In Montana, they say that that is something that comes out of the backside of a bull. Anyway, after finally making good on our long-overdue pledge to address the costs of war for toxic-exposed veterans, our next step cannot be to immediately renege on that pledge.

I am also concerned with House efforts to rescind $1.8 billion we already appropriated for delivering veterans' health care, reimbursing community care providers, and improving health care facilities. And let's not forget, even if our House colleagues make good on their promise to not gut VA health care, there are plenty of programs outside the VA that are absolutely critical for veterans and their families. Job training programs and efforts to combat veteran homelessness are just a couple of examples of what will most certainly next be on the chopping block. And make no mistake, by tying drastic cuts to the debt ceiling, my House colleagues are putting veterans' benefits and livelihoods at risk. Each month Treasury makes approximately $25 billion in payments on behalf of the VA, $25 billion in payments. Of that $25 billion, nearly half is for benefits payments for more than 7 million veterans and their families, folks who have served this country. The rest pays for VA employees' salaries, keeps VA medical clinics open, and reimburses private providers for folks who receive care in the community. If the debt limit is reached, all these payments could be delayed or stopped, creating incredible uncertainty for this Nation and for the veterans who have served this country and made the Nation what it is today.

So let's get past the political posturing and ensure our Nation's veterans are not harmed because their representatives in Congress cannot act like adults and do what they were sent here to do. They have forgotten their mission.

With that said, I look forward to hearing directly from Secretary McDonough and the VSOs here today on their concerns, priorities, and impressions of the fiscal year 2024 budget for the VA.

With that I turn it over to my friend, Senator Jerry Moran.

OPENING STATEMENT OF SENATOR JERRY MORAN

Senator MORAN. Chairman Tester, thank you, and good afternoon to you, and welcome to Secretary McDonough and to our VSO witnesses. I appreciate all of you being with us today, and I look forward to hearing your testimony about the VA's fiscal year 2024 budget request.

There have been some big changes that the Chairman mentioned since the last time we met for this purpose, namely the enactment of the Sergeant First Class Heath Robinson Honoring our PACT Act. I know that one thing that has not changed is that there is bipartisan, bicameral commitment to provide resources that are needed to support veterans and their caregivers, survivors, and dependents. I am committed to protecting and prioritizing support for

veterans in the ongoing budget talks, and I know that my colleagues in the House and Senate share that commitment.

Nearly 70 percent of the Federal spending is on autopilot, or what is known as mandatory programming. This passive approach to the Federal budget is what got us in this deficit mess in the first place. Veterans are not insulated from rising inflation and slowed economic growth caused by out-of-control spending.

As a long-time member and now Ranking Member of this Committee, my priority will always be to make certain that the VA has the funding it needs to provide timely and high-quality health care benefits and services to the men and women who served our Nation. I believe this and every VA budget request could be judged through a single lens, and that is what will it deliver for veterans?

This year's budget request is once again the largest yet for the VA, totally $325.1 billion. That is a big number, and it should lead to big improvements for veterans.

My point that I am trying to make is that we ought not—and I have done it, perhaps, myself. I do not need to say "perhaps." I have done it myself from time to time, in which we brag about the amount of money that we have spent, or the increases that we are providing for veterans. But if bigger numbers were all that is needed to deliver, we would have better results. And so it is what we can deliver.

But bigger numbers and better results, we still would not have higher veteran suicide rates, hundreds of thousands of veterans waiting on claim backlog for their earned benefits, a troubled new electronic health record, 12 months' trend of meaningful decline in access to care, according to the VA's own quality data, scores of recent reports from the inspector general and Government Accounting Office detailing serious and sometimes fatal failures, persistent problems getting the VA to provide timely responses to basic requests for information from this Committee. I am interested in hearing from the Secretary this afternoon on how this budget request will produce different results from past years.

I am also interested in hearing the Secretary justify budget increases for VA health care that far outpace the demand for VA health care. The Veterans Health Administration is requesting an 11 percent increase, but the projected need for that increase is 3.5 percent.

This is also the first budget request that includes the Toxic Exposure Fund, and the VA is asking for $20 billion for the fund in fiscal year 2024. However, when the fund was established in the PACT Act nine months ago, it was not projected to reach $20 billion until the fiscal year of 2030, six years from now. Given that the VA still does not have a way to track the number of veterans who are enrolling under the PACT Act's enhanced eligibility authorities and has certainly not raised this concern about an unexpectedly high influx of veteran patients or claimants, this request needs explaining. Delivering more money for veterans is not the solution, but delivering better outcomes is.

I have no doubt but what the Secretary shares. I would not want to put you in my category, but I have no doubt that there is any disagreement about the need to better results.

For these reasons, it is critical that Congress put veterans first by remaining engaged in the budget process and avoiding the urge to turn a blind eye to issues facing the VA through more mandatory spending. It is time we get it right for our veterans, their loved ones, and I thank you once again for all being here, and Mr. Secretary, I look forward to our conversation.

Chairman TESTER. Thank you, Senator Moran, and I think I agree with the point you made on the money, and we all talk about how much money it has increased, when, in fact, it is how the money is spent that is really important here. And that not only includes the VA, that includes every budget we put our hands on.

Today's hearing, as I said earlier, will consist of two panels. First, we have the great honor to have the Secretary of the VA, Secretary Denis McDonough, to talk about the VA 2024 budget, and the good, the bad, and the ugly of it. Thank you.

PANEL I

STATEMENT OF THE HON. DENIS MCDONOUGH

Secretary MCDONOUGH. Mr. Chairman, Senator Moran, Senator Brown, Senator Tillis, thanks so much for the opportunity to be here. If it is all the same to you, I will submit my prepared remarks into the record, and we can just get straight to your questions. I know you have my longer statement, but if you would not mind making the shorter one part of the record too, we might as well just get right at it.

[The opening statement and prepared statement of Secretary McDonough appear on pages 37 and 47 of the Appendix.]

Chairman TESTER. Well, that is good. Is that okay with you?

Senator MORAN. Now I feel guilty.

Chairman TESTER. Yes, I know. I know. That is a great opening statement. That will get you points right off the bat, right?

Mr. Secretary, in your testimony that you have written you highlighted the VA has delivered more care and more benefits to more veterans over the last two years than any time in our Nation's history. Put more of that in perspective for us.

Secretary MCDONOUGH. Yes, well, thank you very much, Mr. Chairman. It is important to keep in mind that these big numbers do lead to better outcomes, and we are not big on just measuring what you give us to put into veterans' care, but we actually measure what it means for veterans and their families.

And just last Thursday there was a release of a report, actually it was a consolidation of 40 separate reports, looking at care provided by the VA, including throughout the pandemic. And what that report, from one of the leading medical journals in the country found is that VA-provided care is at least as good as, and in an overwhelming number of cases, better than care provided in other settings, including private health care settings. So we are very proud of that.

But if you just consider the clinical appointments and engagements we have had with vets in the last year, 115 million clinical encounters, 40 million inpatient encounters at VA facilities, 31 mil-

lion telehealth appointments, 38 million community care appointments.

So you already talked through the benefits side of this, at the 1.5 million claims that we processed last year. Right now we are 15 percent ahead of that number, year on year.

But the point is these dollars mean real engagements. These engagements mean better outcomes for veterans. And I stand by the assertion that we are now providing more benefits and more care to more vets than at any time in the VA's history.

Chairman TESTER. Could you tell me what that looks like for the first-time veterans entering the system? Who are they?

Secretary MCDONOUGH. Well, the fastest growing cohort of veterans right now are women veterans. We have, just as a result of the PACT Act, we publish this data every two weeks, we have 77,000 new enrollees in VA health care. You know, as I say, the fastest growing cohort are women veterans. But the beauty of the PACT Act that you all gave us last year, and the President signed in August, is that it allows us to restart a conversation with younger and more diverse veterans at the same time that we are deepening our engagement with Vietnam veterans, including those who have hypertension, as a result of their exposure to Agent Orange.

So we are seeing younger veterans, more diverse veterans, including more gender diverse veterans, meaning more women, in our care, and we are seeing that directly as a result of the PACT Act.

Chairman TESTER. So there has been debate over the last couple of weeks about the bill that the House passed that cut programs, and most of the debate has actually revolved around veteran benefits. In fact, Senator Moran addressed it in his opening statement, and by the way, Senator Moran is an honest broker and I believe what he says when he says that we want to make sure that veterans' benefits and health care and programs are funded.

But as I look at that bill, they attempt to rescind $1.8 billion for VA medical services, ID modernization, and facilities—$1.8 billion. And the question for me becomes if we did not cut any veteran benefits, this is not called benefits because it has to do with administration? I guess that is the way they look at it, although VA Medical Services is VA Medical Services.

You have had a chance to look at that bill. You have had a chance to look at the proposal put out by your agency. Just give me a blush of what you see that comes out of that and what kind of impacts that would have if that came to fruition, a bill that, by the way, the Speaker said did not cut benefits, in fact, called the President a liar, when, in fact, the President was the one who was telling the truth.

Secretary MCDONOUGH. Thank you, Mr. Chairman. You know, obviously the bill itself is vague, for the reasons that you talked about, and so it is difficult to ascertain. But we have looked at this a lot of different ways. We have been talking with members on all sides of this debate since January, when this debate really got engaged.

And so if you just apply the 22 percent budget cut to VA, which again may not be what ends up happening at the end of the day. Maybe it is less than that. But if you just take the top lines of the

bill and you recognize that VA is not held harmless, the way, for example, DoD is held harmless in the bill, then we are going to be confronted with very significant challenges. I would just give two examples.

We think that if, again, if that 22 percent cut is applied to VA health care, that would mean 30 million fewer outpatient visits, of the type that I just talked through that we had last year, and those are outpatient visits in the direct care system or in the community care system.

Alternatively, if you look at it from the Benefits Administration, again I talked about the fact that claims filed are 30 percent above where they were a year ago, we are fulfilling 15 percent more claims year on year than we did a year ago, and we are able to do that because of some efficiency we found but also because of hiring we have carried out.

If you apply the 22 percent reduction at VBA, that would mean 6,000 fewer staff there. We have 28,000 staff there for the first time. You know, we have talked many of the Members of this Committee through how our staffing model works, where we are in that staffing model. But if there are 6,000 fewer personnel to process claims, that will be an extension of a timeline that is already too long for vets to get their benefits.

Chairman TESTER. More delays. Senator Moran.

Senator MORAN. Chairman, thank you. Mr. Secretary, the VA inspector general recently found that there was a substantial comingling between the $14.4 billion in supplemental funding the VA received under COVID–19-related care and the VA's regular appropriations. It seems to me that would be separate accounts, but that is not what the inspector found, is my understanding, of what I read.

Secretary MCDONOUGH. Yes.

Senator MORAN. The intent of the supplemental was to support urgent time-limited needs, kind of one time or one period of time circumstances, not to create an artificial increasing of the VA's budget. What steps did the VA take to make sure cost projections for the fiscal years that we are talking about, 2024 and 2025, were not based upon those supposed one-time amounts of money?

Secretary MCDONOUGH. Yes, that is a fair question. So this has been an historic challenge for VA. How does it account for supplemental funding? And this goes back many, many years, and has to do with the age of our infrastructure and how we track this stuff, and it also has to do with where we push the money to for our operators to execute it.

So the important thing we have done is we have now taken responsibility for the outlays of those dollars and put it in the hands of the CFO here in headquarters, and we are making sure that he and I are directly responsible, ultimately, for how we pay those.

Senator MORAN. Those being the COVID funds?

Secretary MCDONOUGH. Those funds being the medical care funds. So rather than making every individual facility have to account and try to figure out where this money comes from and what color it is, we are going to make sure that we do it at headquarters. We have worked that out with OMB, and we have been briefing your staff about this, as we think this is an important change.

Secondly, we have regularly updated the Committee on how it is that we are spending these funds, and that is why we can have the confidence that we have now that we will use the overages that we have had to date—which, remember, those overages were for what we expected to be a surge of care as people come back to us at the end of the pandemic. We have had that conversation in this room. We have great confidence that we will use that money this year, and partially into next year. Our regular updates to you guys help us do that.

But the IG has routinely raised this issue of supplemental funds with us. We are trying to figure out a good way to do it. We think, as I said, bringing responsibility of this to the CFO level is the way to do it. But none of this obviates the need to continue to stay in close touch with the Committee and make sure that the Committee sees very clearly how we are spending the money.

Senator MORAN. I understand that the VA plans to track expenditures from the Toxic Exposure Fund to ensure they are justified.

Secretary MCDONOUGH. Yes.

Senator MORAN. How will the VA define and track which health care is associated with exposure to environmental hazards and which care is not, pursuant to the law that created the fund?

Secretary MCDONOUGH. So we have had now, I think, a handful of discussions with your teams here in the Committee and then with others among the appropriators, and in the House as well, about our methodology. We are comfortable with our methodology. We have worked this through with OMB. We are working it through with your team. I will let them characterize to you their degree of comfort. If we have to change that methodology, we will do it.

But the base case for the TEF is that we are in a position to ensure that as the law envisioned, Toxic Exposure Funds will be spent only for toxic exposure requirements, and we have made sure that we have given clear guidance to the field, again, operating as we do with the CFO and me responsible for this, to make sure that we can execute in that way.

Senator MORAN. So the problems, or the lack of accounting of the money from COVID, which you are now trying to address by bringing it to the Central Office, that is not anything that would suggest the same problem will occur for the money in the fund for toxic exposure. We will not have the same problem we had with COVID money being comingled. The Department will be able to determine what is appropriately spent for toxic exposure benefits.

Secretary MCDONOUGH. Yes. We think yes, and again, the methodology, the basis on which we have established that methodology to track that funding is something that we are talking through with your teams in very minute detail. But we are also going to obviously continue to not only talk to you but continue to be subject to the IG's oversight, to the GAO's oversight, to OMB's oversight. And if there is something we need to change we will change it.

But we have great confidence that we will be able to invest the toxic exposure dollars for toxic exposure care.

Senator MORAN. Mr. Secretary, thank you.

Chairman TESTER. Senator Brown.

SENATOR SHERROD BROWN

Senator BROWN. Thank you, Mr. Chairman. I appreciate what you said about DoD being held harmless and the VA not. Chairman Tester and I, and others, fighting for the PACT Act remember last summer when it was perilous whether it was going to pass because some people said it was too expensive. And I do roundtables. I am going to do one on the PACT Act in every county in the State. I did the 31st one the other day. And there is a sentiment that, you know, there is always money for defense but too many people want to skimp on spending on the VA. So Mr. Chairman, thank you for your work on that.

Mr. Secretary, thank you for all that you are doing in so many ways. I want to thank you for taking the right step in stopping the electronic health records issue, rollout. I know we have talked many times. I appreciate your attention to that and your understanding there. The staff at Chalmers in Columbus, their hard work. I have visited there, as you have and as your staff has, and you did the right thing, and we want to keep working with you.

I want to talk about the PACT Act a little bit. Do you have numbers, up-to-date numbers, of how many veterans have already taken advantage of it? Because I like to say, when I do these roundtables, that this is government done right. This bill passed, if I remember, in August 2022. By January, you were headed up and running, and hundreds of thousands of veterans were getting care, and that is exactly the way government should run, and all of us are proud to be part of that.

Do you have any up-to-date numbers on how many people have been served?

Secretary MCDONOUGH. Yes. Thank you very much. As of May 6th, 251,584 total veterans or survivors have had completed PACT Act-related claims. We are granting at about 80 percent. That is the beauty of the presumption, is that we are able to grant at a much higher rate. It is 79.7 percent. The average—this is a troubling number—the average days for completing a PACT Act-related claim right now is 155 days. I think there is a series of reasons for that. I think the biggest is that some claims were filed either related to our initial three presumptive claims or filed shortly after the President signed the law, and we did not begin to process the PACT Act claims until January. So we should see that average number of days go down.

And we have about, as I said earlier, about 77,000, a little over 77,000 new enrollees in VHA health care as a result of that. We have many more existing enrollees who qualify for greater access to care as a result of the PACT Act as well.

Senator BROWN. Thank you. I participated, as an observer, in a screening event at the Toledo CBOC in northwest Ohio in March, and it was an illuminating experience to see what veterans go through. I know you have been more hands-on than any VA Secretary I have ever seen in terms of going out and seeing that in action. I heard from burn pit veterans and advocates who need additional screening. Many of them are in poor health and had to have invasive lung biopsies in order to complete these diagnoses.

What steps is the VA taking to implement less invasive diagnostic techniques such as advanced technology screenings?

Secretary MCDONOUGH. Well, so the toxic exposure screenings that you talked about, and that are enabled by the law, we have now had about 3.3 million veterans complete those screening. Very interesting because in somewhere between 35 and 40 percent—I do not have the most recent number; it fluctuates in there—of cases of those screenings we have veterans about whom we learned some new exposure that that veteran may have experienced. So that is allowing us to get to know the veterans already in our care better.

There are technological challenges on one of the things that we think most veterans suffer from, which is bronchiolitis, which the test for which are so invasive as to make them actually not useful, potentially harmful to the veteran.

So that is why we have stood up and the PACT Act enabled us to stand up a special organization focused just on the science of the exposures as well as new techniques to verify the existence of the condition. That team meets on a regular basis. We just met with them late last week on this. But not only did you set up the presumptive process for us, but you have also given us additional authorities to make sure that we are testing new technologies to make the confirmation of these conditions, including bronchiolitis, less invasive.

Senator BROWN. Thank you, Mr. Chairman, thank you, Mr. Secretary, for your help, especially since you have taken office, especially in Chillicothe and Cincinnati and Columbus, and your help for the National VA History Center in Dayton. Thank you for all that.

Secretary MCDONOUGH. Thank you.

Chairman TESTER. Senator Tillis.

SENATOR THOM TILLIS

Senator TILLIS. Thank you, Mr. Chairman. Secretary McDonough, thank you for your opening statement, and congratulations on your daughter's incoming graduation from a fine institution, 15 minutes from my home, Davidson College.

I want to thank you for the briefing you gave me back in my office. It is probably known to most folks I voted against the PACT Act, in fact, in spite of the fact that I worked a lot on it. And it did not have anything to do with the numbers. It had to do with operational challenges that I hope we were going to be able to clear up.

But you gave me a reason to be optimistic based on the briefing you gave me in the room. Can you give me a 60-second CliffsNotes, or give the Committee a 60-second CliffsNotes version on some of the risks and how you have managed them? I did hear the 150 days. You have got to bend that down, but I think you have a plan for doing that.

Secretary MCDONOUGH. Yes.

Senator TILLIS. Share that with me.

Secretary MCDONOUGH. Yes, so thank you very much, Senator Tillis. What we know now, after years of watching the benefits process, in particular, the claims filing process, since that is overwhelmingly the main door that vets first enter at VA, is it is a very human-intensive process. So we need to make assessments about

how many vets we anticipate filing claims, and we need to make sure that we have trained people ready to handle those claims.

So starting in the end of fiscal year 2021, we began hiring. We now have 28,000 VBA professionals. Importantly, they are not only hired but a good chunk of them are now through the training process, such that they can begin to add to our ability to reduce the backlog of claims that get filed.

A good example of this is that yesterday we had the single biggest day of claims completion in the history of VA. We completed 9,245 claims yesterday. We are still getting more claims in any given day than that, but we are able now to move many more claims through the process.

We can see, through the expected surge of claims right now, to the other side of this.

Senator TILLIS. And you have a strategy?

Secretary MCDONOUGH. And we have a strategy on how to then manage the size of that workforce through attrition on the other side.

Senator TILLIS. I think managing to the peak, but then getting down to what you think the future run rate is going to be is good news. So count me in to help as we go forward.

Secretary MCDONOUGH. Thank you.

Senator TILLIS. With respect to the discussion about the House bill, the House bill was a House bill. We know that the negotiation that is going to come from the President and Speaker McCarthy is going to produce something different, and I think that it is going to be fair to veterans.

I wanted to talk about one other thing. You mentioned 77,000 new people. PACT Act was much publicized. We got more people to contact the VA. Even if 20 percent of them are not getting the presumption, we now have a relationship and hopefully that is positive for those who maybe did not get the news on the presumption, but at least they are engaged.

We know that the suicide rate among veterans who have no relationship with the VA is higher than those who do. There are a lot of reasons why we need to get people to VA.

There are also a lot of reasons why I am absolutely sick of the Camp Lejeune toxics ads that are on TV. However, I think there is a great opportunity there to connect with more veterans. But I heard, I think it was at a prior Committee, an exchange between Senator Sullivan and Senator Hirono on capping fees, which is going to be very difficult to get any consensus on.

So I asked my staff to take a look at drafting a bill that we call the Patriot Bill of Rights. One of the things that I would like to do is to get support in Congress for an informed veteran, before they sign a retainer for these attorneys that are spending millions of dollars in ads. And I think it represents a great opportunity for the VA. I know that they contact the Department of the Navy, but I was thinking something as simple as a document, before they sign a retainer agreement, that says you need to understand what your rights are, independently, without representation of an attorney. Number one, contact the VA. Number two, contact a local congressional representative. We do thousands of VA cases every year in our office. I am sure the other members do the same.

So make them aware of the fact that Congressmembers' State offices help veterans every day. Their case may or may not rise to a level to where they need a legal representation. Make them aware of the recognized VSOs who also have experience in this case and let them go through that process before they sign that retainer agreement.

What is wrong with that idea?

Secretary MCDONOUGH. You know, you and I talked about this in your office, and we, especially on Camp Lejeune, where we just had a study published last week where a veteran at Camp Lejeune is 70 percent more likely to suffer Parkinson's than one not so deployed. We have a lot of presumptives already for Camp Lejeune, so we want to make sure that vets understand you do not have to hire a lawyer to get your VA benefits.

And so we are aggressively using all of our communications tools to do that and having some success with that. So anything that will allow us to get to more of what we call the untethered vets, those vets not yet in relationship with us, is a positive thing as far as we are concerned.

Senator TILLIS. Senator Murray.

SENATOR PATTY MURRAY

Senator MURRAY. Thank you very much, Mr. Chairman. Mr. Secretary, welcome. Good to see you here.

Secretary MCDONOUGH. Thank you.

Senator MURRAY. As you know and have told us, yesterday the VA announced that an agreement for the new HER contract had been made with Oracle, and it is really important to see that VA is prioritizing reliability and responsiveness and patient safety across the contract, so I appreciate that.

Now just last week, GAO released a report indicating that the VA had not established target goals to assess user satisfaction, and that until it does VA lacks a basis for determining when satisfaction has improved enough for the system to be deployed at any other sites.

I support the reset period, as you know, and I support efforts to move forward, but only after, of course, that you are confident about the safety and effectiveness of the system and have clear, established satisfaction markers. And what matters is what the providers and veterans on the ground think. Our veterans, you and I both know, deserve the best health care we can offer, and it is our job to make sure that the VA and Oracle Cerner really get this right.

I have a couple of questions around this. When do you expect to have a revised request for the EHR account in fiscal year 2024 as well as an estimate of whether you need the funds requested to support the rollout in the IT and medical facility accounts?

Secretary MCDONOUGH. So first of all, I just want to make sure that we are absolutely clear that a little bit over $400 million that was set aside for this year, we have communicated to you and the Appropriations Committee that we do not anticipate needing that money this year. So I want to be very clear about that, one.

Two, on the updated requests, both for the rest of this year and then into next, I think we need a little bit of time but not much.

So I do not have a specific timeline for you here. But we recognize that this 1-year option that we have just exercised is a great opportunity for us to test whether we can get those five sites working. And not only that, but we have providers in each of those five sites, that you have brought to our attention, and we have vets in each of those five sites who have big expectations, and they are tired of waiting.

So we are not asking for a lot of extra time, but we want to get this right rather than get it fast. So I think rather than give you a firm commitment I can tell you that this is the number one issue for us at the Department, to come to the Committee with a revised request.

Senator MURRAY. Okay. And do you have plans to establish targets to assess user satisfaction?

Secretary MCDONOUGH. User satisfaction is going to end up being—it is a critical part of this. Whether we have a specific target set, I will get back to you on that. But one of the principal ways we are going to be able to figure out whether we are working in the five sites is going to be user satisfaction.

Senator MURRAY. So that will be part of the evaluation.

Secretary MCDONOUGH. Correct.

Senator MURRAY. Okay.

Secretary MCDONOUGH. Whether we have specific targets that are laid out on some timeline is what I am not aware of.

Senator MURRAY. Are there any changes that you have made, and plan to make, based on provider feedback at this point?

Secretary MCDONOUGH. Well, a big part of it is the enhanced accountability measures around uptime and system reliability. That comes directly from the user experience.

Senator MURRAY. Okay. Thank you. As you know, we are following this very closely——

Secretary MCDONOUGH. I have noticed.

Senator MURRAY [continuing]. And I really appreciate the VA's diligence on this and want to keep working with you. So thank you.

Secretary MCDONOUGH. Thank you.

Senator MURRAY [presiding]. Senator Boozman.

SENATOR JOHN BOOZMAN

Senator BOOZMAN. Thank you. Mr. Secretary, again, thank you for being here today. We enjoyed hearing your priorities regarding the budget last week, and we do appreciate all that you are doing, all the hard work for the men and women that have served.

In regard to EHRM, one of the things that I hear from people that are not on either the Authorizing Committee or on the Appropriations Committee is DoD has successfully got a bunch of things going in various installations. We are struggling. I support the move to back off. I think that was wise of you to do, and I think you have got really good support for doing that.

Can you explain why DoD is having success? What is the difference? Why are we struggling when they did not? I know there are good reasons, but would you just expound on that?

Secretary MCDONOUGH. Yes. Look, I think the number one reason is that we have health systems that are built for different populations and for different outcomes. As a general matter, our pa-

tients are with us longer and our veterans have more complicated health care situations. And so as a result, our system is that much more complicated. So I think that is the main issue.

You know, the other question is when we have struggled with reliability, oftentimes, in fact in the last three weeks, we have had these two outages for the first time in some 70-plus days. Those outages impact the entire system. So it is not just VA. They also impact DoD. And so my point is that because of your pressure on us, we, I think, are making the entire system more reliable, including for DoD.

So I think, notwithstanding the fact that our system is more complex, our patients have more demanding health care situations, I think the work that you have put us through is going to make the whole system, including for DoD, for Coast Guard, that much more effective.

Senator BOOZMAN. Good. That is helpful.

When you came and talked about your budget you recognized the growth of the number of women veterans seeking care in the VA, which has more than tripled over the last 20 years. The fiscal year 2024 request includes more than $1 billion for gender-specific women's health care and $257 million to support the Women's Health Program Office. Last Congress we had legislation, the Dr. Kate Hendricks Thomas SERVICE Act, which was signed into law. The law expands the eligibility for VHA mammography screenings to veterans who were exposed to toxic substances. That is really a good story about all that we have been able to do, in various ways.

Secretary MCDONOUGH. I agree.

Senator BOOZMAN. Can you touch on how the implementation for the SERVICE Act is going, and are there any challenges that you are facing that we can be helpful with you?

Secretary MCDONOUGH. Yes. Well, let me start by saying that you have been tireless in giving us additional authorities and additional funding to do exactly all the things that you just ticked through, and we are not only very proud of that, but we are very grateful for that.

On the SERVICE Act, its implementation is well underway. We began providing breast cancer risk assessments in March of this year, including coincident with the toxic exposure risk assessments. We are working through the development of a dashboard to make sure that you can follow along with the implementation of that.

We project that in this fiscal year, as a result of the SERVICE Act, there will be an additional 52,000 breast cancer risk assessments across all sites. Incidentally, as we learned last week, new guidance is that breast cancer screening should start at 40. It is pretty clear that your advocacy for the SERVICE Act was well ahead of even this more cutting-edge assessment last week.

There are going to be challenges in some facilities where women veterans are coming to us unenrolled because they have heard about this screening. So that is going to create some administrative burden, but I just want to name that. There is not anything we need from you for that, but that will be a challenge. But that means we are taking more vets into our care.

Senator BOOZMAN. That is actually good news.

Secretary MCDONOUGH. Absolutely good news. Absolutely good news.

Senator BOOZMAN [presiding]. Well, thank you, Mr. Secretary. Senator King.

SENATOR ANGUS S. KING, JR.

Senator KING. Thank you, Senator. Mr. Secretary, welcome to the Committee.

Secretary MCDONOUGH. Thank you.

Senator KING. One of the issues—I serve on both Armed Services and this Committee—is the transition.

Secretary MCDONOUGH. Yes.

Senator KING. And it seems to me even though we have made great progress we are still not there.

Secretary MCDONOUGH. Yes.

Senator KING. And what I would like to get from you are some thoughts about how we can make this a warmer handoff, if you will, because the data suggests that that transition, that 2- or 3-year period after leaving active duty is a moment of danger. And so I wondered if you had some thoughts about some things we might be able to do to make this a more effective process in order to protect our veterans.

Secretary MCDONOUGH. Yes. I think your instinct is exactly correct, in my view. I have talked about this with SecDef. We are looking at this a lot. I worry sometimes that we think the answer is to overload the transition, the TAP program.

Senator KING. Yes, handing a veteran a 300-page form is not the answer.

Secretary MCDONOUGH. Right. As you know, I am not a vet, but I have signed out of jobs before, like when I was leaving the White House I signed a lot of different things, but I was not going to go to any extra thing that I did not want to go to.

So what we think, very strongly, is we need to fit our programming and our opportunities into veterans' lives through a customer experience journey, rather than make them fit our stuff, on our schedule. So we are making good progress on this, and that may mean that we are talking to veterans outside the TAP program, and we are using that time, as you say, in that year to 3 years after they have transitioned to establish a connection with them.

Senator KING. Well, one suggestion that I have been looking at is right now an active duty servicemember has to opt in to have their data conveyed to the Veteran Service Officer in the State. If we made that an opt-out it would probably increase the amount of contact. My vision is, frankly, someone meeting the veteran at the airport——

Secretary MCDONOUGH. Yes.

Senator KING [continuing]. Saying, "Welcome home. Here are some resources. Here is my number. Here is the VA number." But we have to be able to contact the veteran. Now if they do not want to be contacted, that is fine. But we have got this cadre of VSOs and people out there that are very willing to help, but we have got to make that connection easier.

Secretary MCDONOUGH. We are in conversations with National Association of State Directors of Veterans Affairs.

Senator KING. That would be the contact, I think.

Secretary MCDONOUGH. Yes. So we have not been a first-rate partner to our State partners on this. We give them data. It is not readable. It is not usable. We are trying to make that better.

Senator KING. Here is a suggestion. When I was Governor, I would call our State's 800 numbers just to see what I got as a consumer. You know, think of yourself as the customer is a good way to approach something like this.

Secretary MCDONOUGH. Well, these State Directors of Veterans Affairs in each State, we are working with each of them, in each of your States. They are not shrinking violets, and we are hearing from them that we have not been a good partner. We are working that, because we do think that that ready handoff is really important.

Senator KING. Just in my limited time just a couple of points. I am still concerned about onboarding time and the cumbersomeness of the hiring process. It strikes me that decentralizing it, to some extent, would be good, number one. If you need to hire an administrative assistant at Togus Hospital in Maine, you should not have to go through Boston and Washington, number one.

Number two, some reciprocity. So if you have got somebody that is Customs and Border Patrol, they do not have to go through a whole new process of background checks and those kinds of things. Some reciprocity would speed up the process.

So I hope that, again, this is one of those things where back away and say, if we were going to design a hiring process from scratch with a blank sheet of paper, what would it look like, and then compare it to what we have now.

Secretary MCDONOUGH. Yes. Well, I appreciate that very much. We feel like we have had the best two quarters in hiring in basically two decades, but onboarding is still a major headache. So we are looking at that process from soup to nuts. I talked with you yesterday about a couple of things, in particular the way we handle drug testing does not make any sense to me, for example. But we are getting into the specifics on this to ratchet down that time to onboard.

We are losing people because——

Senator KING. It is an opportunity cost. We are losing people we need.

Secretary MCDONOUGH. Massive opportunity cost, and these are people who want to come to work for VA, and we should not make it so hard.

So our time to onboard is coming down——

Senator KING. Good.

Secretary MCDONOUGH [continuing]. But it is coming down in some places, in some VISNs, from four months. Nobody can take a job and then not be paid for four months. So we are on this. I will continue to report to you on it.

Senator KING. Please.

Secretary MCDONOUGH. But some of those things that you are talking about are things we are looking at. Moving authority to hire to the field, simultaneously carrying out the onboarding steps rather than doing them sequentially—these are all things that we are making good progress on.

Senator KING. Mr. Chairman, can you indulge me for one more question.

Chairman TESTER. Make it short.

Senator KING. Thank you. I knew you would understand.

The medical records. It is short. Accountability is crucial, and I share with Senator Murray, I think there ought to be targets. If you do not have a destination, you will never get there. And I think this contract is very important, but you have got to have standards in it that provide some accountability and some penalties if they are not met. Otherwise, you know, this is such a complex, large process, but ultimately it has got to work. And if it does not work, the people who we are contracting with should not get paid.

So I hope you will be very tough about accountability. And you have got this one year, you have got something hanging over them, and I want you to be very aggressive about that.

Secretary MCDONOUGH. Yes. We are going to do that. I think Senator Murray is challenging us. So I 100 percent agree. I think we got improved accountability metrics, including enhanced credits to VA when the system is down, as it has been, inexplicably, twice in the last—I said three weeks, I think it is the last month. It is maddening.

Senator KING. Yes. There ought to be a cost to that.

Secretary MCDONOUGH. There is always a cost to that, and we have to measure it in dollars. But it is really measured in vets' outcomes.

Senator Murray is also challenging us to be very deliberate about user satisfaction measurement. I take what both of you are saying on that, and we will get to the bottom of it.

Senator KING. Thank you.

Chairman TESTER. Thank you. Senator Blackburn.

SENATOR MARSHA BLACKBURN

Senator BLACKBURN. And thank you, Mr. Chairman. Senator King gave such a great devotion this morning at prayer breakfast. I was happy to let him move forward and take that time.

Secretary McDonough, very quickly, we have talked a lot about staff and return to work.

Secretary MCDONOUGH. Yes.

Senator BLACKBURN. What percentage of the VA's DC staff has returned to in-person work?

Secretary MCDONOUGH. I do not have a specific number, but I will get you that specific number.

Senator BLACKBURN. Yes. And then also submit to me the agency's official telework policy.

Secretary MCDONOUGH. Sure.

Senator BLACKBURN. We want to know that. I have got legislation called the SHOW UP Act, in order to try to get people back to work in these agencies. The wait times and the backlogs are continuing to grow, and I think that is a problem.

Let me ask you also, some of the employers I have talked to in Tennessee have talked about people taking second jobs, second remote work jobs. So do you have any employees that have taken second jobs where they are working two jobs remotely? Has that happened?

Secretary MCDONOUGH. Not that I am aware of, but let me take that and I will come back to you.

Senator BLACKBURN. Yes, I would appreciate knowing that, and seeing where you are with those issues.

I know you were working on a work environment plan.

Secretary MCDONOUGH. Yep.

Senator BLACKBURN. Okay. What is the status on that?

Secretary MCDONOUGH. The status is that we have submitted our first draft of that to the OMB. In fact, when I am done here I will be going to a meeting on that over in the interagency. So we are working on that. We feel really strongly about it.

I feel quite proud of the work that our workforce has carried out the last couple of years. Productivity, for example, at VBA, the Veterans Benefits Administration, is the highest it has ever been. Even though they are max telework right now, they are at higher productivity rates than we were in 2019, and I feel good about that.

Senator BLACKBURN. So what is the case backlog now?

Secretary MCDONOUGH. Right now the case backlog is about 215,000. It is a little less than——

Senator BLACKBURN. I read somewhere that PACT Act, you were seeing a half million requests for service because of the PACT Act. Is that accurate?

Secretary MCDONOUGH. Overall, yes, we have seen about 500,000 PACT-specific claims filed.

Senator BLACKBURN. Okay.

Secretary MCDONOUGH. But we will get you the exact data if you want to see——

Senator BLACKBURN. I would love to see that.

Secretary MCDONOUGH [continuing]. How many claims filed, how many claims completed, average time to completion. I will make sure we get you that.

Senator BLACKBURN. Well, of course, as you know, I believe Community Care is a big part of that, and we have got more legislation we are working on that we think would help with that, and we would appreciate hearing from you.

I do want to come to something that to me was very troubling as I was reading it last night and looking through the Durham report. And I know you were President Obama's Chief of Staff from January '13 to January '17. And as I was reading through some of this I would like to know from you, during that time as Chief of Staff, did you participate in any meetings with the FBI regarding the investigation of the Trump campaign?

Secretary MCDONOUGH. It has been a long time since I have thought about that, but I will be more than happy to go back and take a hard look at that and get you an answer.

Senator BLACKBURN. I would appreciate knowing that. And I think it is important to know what your involvement was with the FBI in pushing for that. And my understanding is that you were in the 2016 meeting in the Situation Room with President Obama, Susan Rice, and other top officials, where they discussed the Russia collusion issue. Is that accurate?

Secretary MCDONOUGH. I am not sure I know which meeting you are talking about, but I would be more than happy to look at that.

Senator BLACKBURN. I think it was July 2016.

Secretary MCDONOUGH. Again, I——

Senator BLACKBURN. It was reported in the report that you were in there, and that is of concern to me. You are charged with leading a very important agency. The work that you do is vital to our veterans. And it is of tremendous concern to me, as I was reading this report last night, and it was also a source of disappointment to me, that you would have been involved in this process of weaponizing the FBI. This is something that should never happen.

People do not want to see two tiers of justice. And as we talk about the VA, they want to see a standard of service for everybody, and they want to see that consistency. And to know that you may have been a participant in this investigation, that you were a part of this meeting, as detailed in the Situation Room, that they carried out this, this hoax, this made-it-all-up, figment of her imagination, to discredit someone. I would not want someone discrediting Maggie in that regard, or the Chairman, or any of us, or you. So it is with great disappointment that I read all of that.

Thank you, Mr. Chairman.

Chairman TESTER [presiding]. Senator Hassan.

SENATOR MARGARET WOOD HASSAN

Senator HASSAN. Thank you, Mr. Chairman, and thank you and Ranking Member Moran for this hearing. Thank you, Secretary McDonough, for being here today and also for our recent conversations.

And just before I talk a little bit about what we have covered in those recent conversations I just want to reaffirm that it is my understanding that you agree that all Americans should be equal before the law.

Secretary MCDONOUGH. Absolutely.

Senator HASSAN. Thank you.

So what we have been talking about in recent weeks is really major concerns to New Hampshire veterans. It is the condition of our Manchester Medical Center. As you know, the Manchester VA Medical Center is 73 years old, and facility maintenance failures have led to the cancellation of many veterans' appointments in just the past few years.

So I really appreciate you taking the time to walk me and Senator Shaheen through the plans that you and your team are working on to ensure that these problems do not continue to recur. I know from our conversation that you and I both care a lot about getting these renovations at Manchester up to date and completed. We also talked about the importance of transparency and ensuring that veterans know what is being planned and when they can expect each project to be completed.

When will you be able to make public a comprehensive plan on projects for the Manchester VA so that veterans will know what to expect?

Secretary MCDONOUGH. Yes, thanks very much for the question, and thanks for all the work on this. Our goal would be to be able to make something public this summer, the summer of 2023, and by that I mean July or August.

Senator HASSAN. Okay. And I appreciate that, and I think it will be very important to New Hampshire veterans and for our whole community to meet that deadline, if not earlier.

Secretary MCDONOUGH. Yes.

Senator HASSAN. I appreciate the VA's work to complete much-needed repairs at the Manchester VA that were caused by flooding when a pipe burst last year, and I know that your team has been working hard to get these important repairs done as fast as they can. What are the next steps beyond these initial reports to ensure that the Manchester VA is fully renovated to prevent these types of problems in the future? When will the VA start on this work, and what is the expected timeline for completion?

Secretary MCDONOUGH. Yes. So, you know, I will just talk through a couple of things here, for the record. One is, you know, many of these renovations are complete guttings of these facilities. We are able to fund those through non-recurring maintenance projects. We have minor constructions projects onsite, including the new Women's Clinic and Specialty Care addition. We do also have a major construction issue on the seismic project on campus. And the plan is to fully renovate the facility, floor by floor, so that the facility remains in use during those sequential upgrades. Those renovations include removal and replacement of all obsolete utilities—that includes plumbing—installation of new insulation on exterior walls to prevent the kind of freezing that we have seen, installation of new windows, installation of new, modern heating, air conditioning, and ventilation systems, installation of new finished, and optimized space layout for designed clinical use.

Now, here are our approximate schedule. Fall of 2023, the fourth-floor operating room and the PAC use suites will be completed and returned to use. December 2024, the third-floor construction will be completed. Spring 2025, the fourth-floor construction, which will be partially completed. And then Spring 2025, the second-floor construction will be completed. Winter 2027, the fifth-floor construction completed. And then Winter 2026, the sixth-floor construction completed.

The Women's Clinic is expected to be posted for an award this summer, and the awarded granted in the fourth quarter of this year.

Senator HASSAN. And then for the Women's Clinic, the award granted in the fourth quarter of this year, what is the timeline for completion?

Secretary MCDONOUGH. The timeline for completion—I am just looking to make sure. Can I take that one and get back to you, just to make sure that I give you the exact number?

Senator HASSAN. Yep. And that is fine. What I, of course, am trying to communicate is what we have talked about.

Secretary MCDONOUGH. Exactly, and I am sorry I just do not have that number.

Senator HASSAN. No, that is okay, but let's get it so that we can make it public to people so you all have a timeline to go by. And I also just think it is really important for people to understand not only the timeline but with the overall renovations, what you all are trying to do is make sure that you are repairing this facility to a point where we will not see these kinds of ongoing failures, which

have really been incredibly disruptive to veterans in New Hampshire.

Secretary MCDONOUGH. Yes.

Senator HASSAN. Thank you.

Chairman TESTER. Senator "Quick-Healing" Blumenthal.

SENATOR RICHARD BLUMENTHAL

Senator BLUMENTHAL. Good afternoon, Mr. Secretary.

Secretary MCDONOUGH. Hello, Senator.

Senator BLUMENTHAL. The Chairman is referring to my leg, which was broken in a Yukon Huskies victory parade.

Secretary MCDONOUGH. I saw that. I sent you a note too, but it might have gotten stuck somewhere.

Senator BLUMENTHAL. I was just going to say, thank you for your note. I apologize for my delay in responding. You are very kind. Thank you.

And I want to focus on health care for the veterans of Connecticut, and just say I am hoping that plans for continued work on the VA facility in West Haven are proceeding and I can touch base with you and [inaudible] on that.

Secretary MCDONOUGH. You can count on that.

Senator BLUMENTHAL. Thank you. I also want to follow up on a letter that I sent to your office regarding veterans who were stationed at a base in Uzbekistan——

Secretary MCDONOUGH. K2.

Senator BLUMENTHAL [continuing]. Karshi-Khanabad, also known as K2. The Yale Veterans Clinic has brought a lawsuit on behalf of veterans who were stationed there and who were exposed to Soviet-era hazardous waste, including uranium, asbestos, and chemical weapons. There is ample evidence that they were exposed to these toxins, but there is also tremendous amount of information in possession of the Department of Defense——

Secretary MCDONOUGH. Yes.

Senator BLUMENTHAL [continuing]. Records that are still classified, for reasons I do not understand. And so I have written to Secretary Austin, urging him to declassify those records. And I would simply ask you for your commitment that you will support expanding health care to these veterans who were exposed.

Secretary MCDONOUGH. You have got that commitment.

Senator BLUMENTHAL. Thank you.

I want to take a moment to talk about education benefits.

Secretary MCDONOUGH. Yes.

Senator BLUMENTHAL. The next generation of veterans is entering a civilian marketplace that is much more dynamic and competitive, as you well know. I strongly believe the VA can play a critical role in enabling veteran success, as the dad of two veterans who have made use of education benefits, thankfully. Programs like the Transition Assistance Program, Veterans Readiness and Employment Service, and the GI Bill provide invaluable resources to veterans and their families. I believe that the Post-9/11 GI Bill, in particular, is one of the most powerful tools at a veteran's disposal right now, but the educational landscape has changed significantly since President Roosevelt signed the law about 80 years ago.

In your view, how does the VA need to change to meet the needs of these younger veterans? Many of them are of a different mindset. They are exiting the service and want to pursue higher education, and how does the VA need to change its practices or methods to meet those needs?

Secretary MCDONOUGH. Yes. I mean, I think the main thing we have to do is we have to make sure we are meeting veterans where they are, as I say, fitting our programs into their lives rather than us expecting them to change their lives to meet our requirements, making sure that they understand the full suite of support that is available to them, irrespective of what they want to go study or what skills they want to go develop next.

And the more we fit that programming into their lives, the better case that we are able to make to them about the usefulness of these investments, the better informed they will be to make those decisions. It is on us to make that case to individual veterans.

Senator BLUMENTHAL. Thank you. I want to offer a sort of personal testimonial to the importance of the PACT Act. One of my sons had just gone for screening, at the urging of his——

Secretary MCDONOUGH. Dad.

Senator BLUMENTHAL [continuing]. His dad——

Secretary MCDONOUGH. Good.

Senator BLUMENTHAL [continuing]. And was extremely impressed by the quality of the questions and the caring and so forth.

Secretary MCDONOUGH. Great. Excellent.

Senator BLUMENTHAL. Thank you.

Secretary MCDONOUGH. Thank you.

Chairman TESTER. Senator Sullivan, you are up.

SENATOR DAN SULLIVAN

Senator SULLIVAN. Thank you, Mr. Chairman, and Mr. Secretary, good to see you again.

Secretary MCDONOUGH. Nice to see you.

Senator SULLIVAN. I want to begin by thanking you for the visit to Alaska.

Secretary MCDONOUGH. It was fun.

Senator SULLIVAN. I appreciated it. I appreciate you getting out all over the State, and hopefully you had a good time.

Secretary MCDONOUGH. Very much.

Senator SULLIVAN. You had a good time?

Secretary MCDONOUGH. Very much.

Senator SULLIVAN. Hopefully you enjoyed the steak night at the VFW.

Secretary MCDONOUGH. I did, but I ate fish, but it was good.

Senator SULLIVAN. I know you did eat fish. You are a better Catholic than I am. And I appreciated the broad diversity of meetings that you engaged in, and again, getting all over the State with me and Senator Murkowski and Congresswoman Peltola. I very much appreciate it.

I wanted to follow up on the meeting you had with Valerie Davidson and the ANTHC, the Alaska Native Tribal Health Consortium. And this is on the 26 different reimbursement agreements with the VA and these Tribal health providers.

Secretary MCDONOUGH. Yes.

Senator SULLIVAN. On January 5, 2021, the Proper and Reimbursed Care for Native Veterans Act was signed into law and required the PRC services to be covered, the Purchased/Referred Care. Again, I know you guys had a good discussion on that. I was part of a lot of that.

Secretary MCDONOUGH. Yes.

Senator SULLIVAN. When you met with ANTHC it was one of the issues that you discussed. Do you guys have, or maybe can you provide the Committee a firm date when the Tribal health providers can expect the agreements to include reimbursements for the PRC services?

Secretary MCDONOUGH. Can I get back to you with that?

Senator SULLIVAN. Yep.

Secretary MCDONOUGH. Absolutely.

Senator SULLIVAN. Yes, I know it is complicated, but it is important issues you talked in Alaska.

Secretary MCDONOUGH. Absolutely.

Senator SULLIVAN. Okay. Look, the next issue, it is an issue I raise every time. I sure hope we can get the VA's support. I thought we had it, and this is on the Camp Lejeune Victims Act and the lack of any contingency fee caps. Like I said, I do not know why this is taking so long. We have put forward a bill that is compromised up to 17 percent caps. The VFW supports it. The American Legion supports it. There is a whole host of reasons why the 33 percent that some of my colleagues are suggesting is—it is just too much. I mean, this is literally an example of here is a pot of money. Is it going to go to sick Marines and their families or is it going to go to trial lawyers? Okay, I can see how trial lawyers can be helpful on some of this, but not at 33 percent.

We were just on the phone with some DOJ folks, who, by the way, agree with our bill. I am trying to get Biden DOJ to come out officially for that. Some of them think that 17 percent is actually too high. But they are already talking about, just today we heard that some of these law firms are charging 50 percent contingency fees. I mean, it is robbery. We all know it. Everybody on this Committee knows it. Everybody in the Congress knows that it is wrong.

And here is the problem. The deadline for the Camp Lejeune filings is August 2024, so I am being rope-a-doped. We all know why. The trial lawyers are going to win, and sick Marines and their families are going to lose.

So anyways, your team has been good on this. There are all these arguments—oh, you need good lawyers. I mean, we are going to get good lawyers. You are seeing the ads on TV. These guys are not doing it out of the goodness of their heart to help the Marines. They are doing it to get rich.

So can I get your commitment, Mr. Secretary, just in the next week or so to sit down with us, saying, hey, here is where we are, we support the Sullivan bill, it is reasonable, he has compromised up, the American Legion wants it, the VFW wants it. It is one of their top priorities. And the more we delay—and by the way, you guys wanted it when we were working on the PACT Act. It just got blocked by some of my colleagues here, for reasons we all know about.

So any thoughts on that now? We talked about it in Alaska. I care deeply about it, because it is just wrong. We all known it is wrong.

Secretary MCDONOUGH. Like I know what a priority this is for you, and——

Senator SULLIVAN. But it is for the Marines and their families, and the VFW and the American Legion.

Secretary MCDONOUGH [continuing]. And I am not disputing that.

Senator SULLIVAN. For all veterans.

Secretary MCDONOUGH. I am not disputing that either.

Let me say two things. One, and you know this because you used to work downtown too, on the other side, it is hard for me to get in the lane of DOJ and DoD on their requirements. But I will say this. So this question of the right number and whether or not there are caps, that is not really our thing. But I can tell you that we use caps.

Senator SULLIVAN. Every law uses caps. The Federal Claims Torts Act uses caps.

Secretary MCDONOUGH. So——

Senator SULLIVAN. This is one of the few that has no caps. I think it is almost exclusively one of the few, and it is just——

Secretary MCDONOUGH. So, I mean, I think you understand the spot I am in, which is my interagency partners—the DOJ, the lead, it is a DoD account and I want to make sure that I am doing my part by them.

Senator SULLIVAN. DOJ, I think, is very for caps.

Secretary MCDONOUGH. Yes. Well, again, you know——

Senator SULLIVAN. Well, how would you recommend we try to resolve this, because you guys obviously play a role because it is veterans. It is the Department of the Navy, as you mentioned, so it is DoD.

By the way, even the numbers we have from the Department of the Navy, just talking to them today, almost none of these are going through the adjudication with the Navy. They are going to trial. And the reason they are going to trial is average claim is $10 million. Okay, so one of the arguments of Senator Durbin and others, well, you will not get good lawyers if it is a small contingency fee. Just do the math of that. If you take away $2 million for what is called the health award, health care received, out of $10 million that is $8. Seventeen percent of $8 million is $1.36 million. That is a pretty good payday for a lawyer.

That is from the Navy today.

So the Navy wants it. DOJ wants it. I think you guys want it. It kind of sickens me that we cannot get progress on this. So do you have a suggestion on what we would do, seriously, the Congress, the Committee, those three agencies, because this is an injustice. The money is going to trial lawyers, 50 percent contingency fees. We heard that today. Some of your guys testified last fall, you know, it was up to 60 percent. Jeez Louise. How greedy can you be?

Secretary MCDONOUGH. So my commitment to you is why don't you let me talk to Secretary Austin, or to the Attorney General, and to the Secretary of the Navy and let me see if I understand

precisely what they are doing on this. I want to not, in public session, get ahead of them on whatever it is that they are doing.

Senator SULLIVAN. All right. Okay, Mr. Chairman, it is an issue, and Ranking Member. I am just kind of baffled that we are letting this linger. And look, I know why some people want it to linger, because August 2024 is the deadline, and then it is over. Then the trial lawyers win and the Marines get screwed. And that is just wrong, totally wrong. Everybody knows it. Everybody knows it, and we are not doing a damn thing about it.

You guys are going to rope-a-dope me. You are going to rope-a-dope me. You are not rope-a-doping me. You are rope-a-doping sick Marines and their families. Really, really, really makes me mad. And everybody knows it is the wrong thing to do. I do not know why we are not more urgent about this, all of us.

Chairman TESTER. Senator Sullivan, you have brought this up in many different forums, and I appreciate it. I know you feel passionate about it. But I want to give you a little history so you know. I do not know if you were on this Committee when Senator Byrd served in leadership on this Committee, but he is the one that started the Camp Lejeune. Senator Tillis took that up, that bill, along with Senator Blumenthal. And it was debated many, many times. And it was introduced, and we put it into the PACT Act.

Senator SULLIVAN. With no contingencies. With no caps.

Chairman TESTER. The fact——

Senator SULLIVAN. We wanted caps, Mr. Chairman.

Chairman TESTER. No, no, no.

Senator SULLIVAN [continuing]. And your side——

Chairman TESTER. Let me tell you——

Senator SULLIVAN [continuing]. Fought the caps.

Chairman TESTER.—I was in nearly every one of these hearings, and I did not hear anything——

Senator SULLIVAN. I know the truth.

Chairman TESTER.—About caps, and I was at every one of the hearings. Let us be clear.

Senator SULLIVAN. Yes, I know the truth.

Chairman TESTER. Okay?

Senator SULLIVAN. Then why do you not——

Chairman TESTER. Let us be clear.

Senator SULLIVAN [continuing]. Why do you not agree to my 17 percent bill right now?

Chairman TESTER. Because it is my bill or the highway. Senator Durbin also has a bill that is supported by VFW.

Senator SULLIVAN. I moved up from 10 percent to 17 percent.

Chairman TESTER. Senator Durbin also has a bill——

Senator SULLIVAN. You commit to me to work with me to get caps——

Chairman TESTER. And I am all about reasonable fees. But I will also tell you something else I am about. I am about choice, and I do not want the Federal Government telling me who I am going to hire for an attorney. And I do not think we should be telling Marines that——

Senator SULLIVAN. Do not give me that——

Chairman TESTER.—And trust me, you know that is exactly the case.

Senator SULLIVAN. That is baloney.
Chairman TESTER. You know that is exactly the case.
Senator SULLIVAN. Do not give me that. You have no idea what you are talking about. Every Federal law——
Chairman TESTER. No, don't, don't, don't——
Senator SULLIVAN [continuing]. Every——
Chairman TESTER.—Give me the high and mighty crap.
Senator SULLIVAN. I am giving you high and mighty——
Chairman TESTER. No.
Senator SULLIVAN [continuing]. Because I am doing the right thing for the Marines.
Chairman TESTER. And I want to do the right thing by the Marines too.
Senator SULLIVAN. Then you should do it.
Chairman TESTER. But you know this is a place of compromise.
Senator SULLIVAN. I moved from 10 percent to 17 percent already. That is called compromise.
Chairman TESTER. We continue to have this conversation.
Senator SULLIVAN. Right now you guys—right now you guys are going to rope-a-dope this so the deadline happens, and there are no caps.
Chairman TESTER. Let's be honest.
Senator SULLIVAN. Do you think having no caps——
Chairman TESTER. We could have caps tomorrow if you would come to the table.
Senator SULLIVAN. That is ridiculous. I have been working this——
Chairman TESTER. We are going to move on——
Senator SULLIVAN [continuing]. Do not give me that, Mr. Chairman. You know what?
Chairman TESTER. We are going to move on.
Senator SULLIVAN. As the Chairman of the Veterans' Affairs Committee, this is a dereliction of duty on your part, right now.
Chairman TESTER. I love——
Senator SULLIVAN. It burns me up.
Chairman TESTER.—I love your claims, but back them up with facts.
Senator SULLIVAN. Yes. I have all the facts in the world.
Chairman TESTER. You make them up.
Senator SULLIVAN. You guys made sure there were no caps. That is what happened.
Chairman TESTER. That is total baloney.
Senator SULLIVAN. Then agree to my bill.
Chairman TESTER. Total baloney. And there are bills out there supported by the VSOs that will get caps.
Senator SULLIVAN. The VSOs support my bill.
Chairman TESTER. VSOs support Durbin's bill too. And by the way, this is an issue that needs to be taken up by Durbin's Committee.
Senator SULLIVAN. It is the jurisdiction of this Committee.
Chairman TESTER. No, it is not. It is a jurisdiction——
Senator SULLIVAN. Where did the Camp Lejeune Act come from?
Chairman TESTER. It came from here.
Senator SULLIVAN. Right.

Chairman TESTER. But when you are talking about legal issues it automatically goes——

Senator SULLIVAN. Come on, Mr. Chairman. You are stumbling over your words.

Chairman TESTER. No, I am not.

Senator SULLIVAN. You need to fix this.

Chairman TESTER. And it is fixable.

Senator SULLIVAN. And when the VSOs were—the American Legion, and when all the veterans were here in front of this Committee, 500, and I asked you to work with this with me, and they all cheered. They want it. They support my bill.

Chairman TESTER. And they support Durbin's bill too.

Senator SULLIVAN. Why would they support——

Chairman TESTER. That one does not count?

Senator SULLIVAN [continuing]. Why would they support a bill that takes 20 percent more of a chunk out of their——

Chairman TESTER. That one does not count?

Senator SULLIVAN [continuing]. Award, that they have earned?

Chairman TESTER. They do.

Senator SULLIVAN. Well, I wish you would commit right now to work with me on this.

Chairman TESTER. It is pretty hard to work with somebody who wants to make a political issue out of something we can fix.

Senator SULLIVAN. I am not making a political issue at all. All I have been trying to do is put caps on awards, which is what every Federal bill in the country, that we pass, has. I think this is one of the few that has no caps.

Chairman TESTER. And that can happen. It can happen.

Senator SULLIVAN. All right. I am ready to work.

Chairman TESTER. You do not want it to happen.

Senator SULLIVAN. Thank you.

Chairman TESTER. Thank you, Secretary McDonough. We appreciate your testimony. We appreciate your answers. I would ask there will be other questions by Members of the Committee. Make sure you respond to them in a timely manner.

That concludes our first panel, and we will start with the second panel now. Interestingly enough, on the second panel we are going to hear from VSOs. Each year, the Independent Budget offers an informed perspective on the VA needs in order to live up to the promises we made those who served our Nation. I have said many times that Congress needs to take its cues from the veterans, and we do, and I look forward to hearing your thoughts on this year's budget proposal.

First, I want to introduce Morgan Brown, National Legislative Director of PVA, Paralyzed Veterans of America. I also have Shane Liermann, Deputy National Legislative Director of Disabled American Veterans. Last, we have Patrick Murray, Director of the National Legislative Services of VFW, Veterans of Foreign Wars. They are going to provide, as I said in my opening statement, one joint statement on behalf of one.

Before you begin, gentlemen, though, I want to say that we have a nomination hearing coming up on a Deputy Secretary for the VA, Tonya Bradsher. That hearing is going to be held on May 31st at 3 p.m. I would just encourage all of the Members of this Committee

to meet with her and visit with her and find out what she is made of.

With that I turn over the floor to you three gentlemen, and whoever wants to start, can.

PANEL II

STATEMENT OF MORGAN BROWN

Mr. BROWN. Chairman Tester, Ranking Member Moran, and Members of the Committee, on behalf of the Independent Budget Veterans Service Organizations—DAV, PVA, and VFW—I want to thank you for the opportunity to offer our comments on VA's budget request for fiscal year 2024 and advanced appropriations for fiscal year 2025.

Our recommendation of nearly $140 billion for medical care spending in fiscal year 2024, and $157 billion of advanced appropriations for fiscal year 2025, represents our best estimates of the funding VA needs to fully and timely deliver all authorized programs, services, and benefits to America's veterans.

We were encouraged by the Administration's proposed budget for the VA and believe much of it accurately reflects the rising need for health care and benefits by those who have served, their families, caregivers, and survivors. However, it missed the mark in a few areas.

For example, VA's Medical and Prosthetic Research Program generates discoveries that significantly contribute to improving the health of veterans and all Americans. The Administration requested $938 million in fiscal year 2024, compared to the $980 million recommended by the IB.

As you know, the VA health care system has faced significant challenges and undergone historic reforms in recent years to improve veterans' access to timely and high-quality health care. While VA has received increased funding levels to support the veterans health care system and an increasing number of veterans are seeking VA care, the lack of resources for adequate staffing and facility improvements are adversely impacting accessibility to care and benefits and must be addressed.

We urge Congress to honor the promise made to the men and women who served our country by continuing your longstanding, bipartisan support of those who have borne the battle.

This concludes our remarks on health care. Mr. Liermann, from DAV, will now discuss benefits programs.

[The joint statement of the Independent Budget appears on page 72 of the Appendix.]

STATEMENT OF SHANE LIERMANN

Mr. LIERMANN. Thank you. The IB VSOs recommend approximately $4.1 billion for VBA's operation, an increase of roughly $406 million over the current appropriations level. This includes an additional $100 million for overtime. In fiscal year 2022, VBA completed over 1.7 million rating decisions, done with mandatory overtime. VBA has already completed 1.1 million decisions in this fiscal

year. This $100 million in overtime will greatly enhance VBA's production to address the increase in claims due to the PACT Act, the existing pending claims, and drive down the backlog.

Mr. Chairman, within VA call centers there are approximately 1,600 employees. It is estimated that one VA claim generates eight separate contacts to VA call centers. As of May 6th, there are over 800,000 pending claims, and VA is predicting over 1 million new claims, which means that VA could receive over 8 million phone calls to the call centers, which would significantly strain the existing workforce. Therefore, we are recommending $50 million for an additional 400 VA call center employees.

In reference to the Board of Veterans Appeals, we recommend approximately $325 million, an increase roughly of $40 million. In fiscal year 2022, the Board scheduled over 56,000 hearings, but held only a little over 30,000 hearings. At the beginning of this fiscal year, the Board had over 75,000 hearings pending. We recommend an additional 20 veterans law judges and an additional 200 FTE and other positions to assist in driving down the backlog. The estimated cost is approximately $20 million.

Thank you. This concludes my remarks, and I turn to VFW's Pat Murray.

STATEMENT OF PATRICK MURRAY

Mr. MURRAY. Mr. Chairman, although the asset and infrastructure review process broke down and stalled last year, due in part to concerns about assumptions and market assessments, many of VA's recommendations for expansion and construction of new health care facilities, as well as repairs and maintenance of existing ones, were widely supported and merit funding.

VA capital infrastructure's backlog of projects continues to grow faster than VA can address them. Neither VA's Office of Construction and Facilities Management nor the individual VA facilities have the staff to oversee the amount of work necessary to decrease the backlog. Investing in the oversight and completion of these critical projects will save VA money in the long term and potentially save lives if done correctly.

VA must hire additional FTE to oversee infrastructure projects. Adding personnel to an Office of Strategic Planning and increasing the personnel at individual major facilities to oversee local projects is critical to decreasing this backlog.

As stated in previous hearings, VA has an infrastructure backlog of $105 to $129 billion. VA should be requesting at least $10 to $13 billion annually to address this. If we keep underfunding VA infrastructure beneath the necessary amounts, in 5 years we will be talking about the $120 to $150 billion backlog in projects.

The details in the SCIP list outline the true need for the infrastructure work at VA, but VA's request does not match the real need. It is only a fraction of the total amount necessary. We urge this Committee and the Appropriations Committee to look at the actual need for infrastructure and provide VA the resources they need instead of what they are asking for.

Chairman Tester, Ranking Member Moran, I thank you for the opportunity for the authors of the Independent Budget to provide

our remarks on these important topics. We are prepared to answer any questions that you may have.

Chairman TESTER. I appreciate all three of testimonies. Thank you very much for being here. I am going to start with you, Mr. Brown.

Last month, we tried to do a package of bills to do right by veterans, call the Elizabeth Dole Veterans Program Improvement Act of 2023. These were five bills that were introduced in this Committee that we combined. They were sent out of Committee in February unanimously. However, many of my colleagues blocked it from advancing and becoming law.

What this bill did, as you well know, I believe, is it improved home care options for veterans, which basically would save money in the long run, and improve quality of life. It would direct VA to study the use of medicinal cannabis for treating the invisible wounds of war. That does not mean the VA was out growing cannabis. They would actually be interviewing veterans and finding out the impact that cannabis has on them. And it would help Native Americans and Alaska veterans achieve ownership of homes.

I know that PVA was a supporter of this legislation. Mr. Brown, can you just tell us what further delayed passage of this bill means for the folks who are part of your organization?

Mr. BROWN. Certainly, Mr. Chairman. The Members of this Committee well know that the number of veterans that are going to be needing long-term care is expected to significantly increase over the next decade, and it is important that VA implements policies now to ensure that these veterans can safely age at home and remain active participants in their communities.

Unfortunately, VA and home and community-based services are not offered at all VA health care facilities, even though they are desperately needed. The Elizabeth Dole Veterans Programs Improvement Act would have ensured programs like veterans directed care, homemaker home health, and home-based primary care are available at all VA medical centers, giving greater number of veterans, catastrophically disabled veterans, the ability to receive care in their homes, which is where they would prefer to receive it.

It also instructs VA to test a program that would provide home health aides for veterans residing in communities where there is a shortage of home health aides, and as you know, the shortage of home health aides is severely impeding access for veterans as well as many aging Americans to receive needed home care. The IB VSOs have been very supportive of efforts like this to help curb the effects of these shortages and bolster the direct care workforce.

And although it was not included in the Elizabeth Dole Improvement Act, we appreciate your and the Ranking Member's commitment to finding a way to raise the cap on the amount that VA can pay for the cost of home care. This provision, in particular, is extremely important to the few hundred veterans whose care of their service-connected conditions exceeds the cap, and therefore they must pay out of their pocket, rely on Medicaid, or be placed in an institutional setting.

Chairman TESTER. Okay. This question is for all three of you, and I will try to make it very quick, and you guys be quick on your answers.

As you know, the Veterans Employment and Training Service at the Department of Labor handles the transition, employment, and homeless veterans programs. This includes TAP classes, Homeless Veteran Reintegration Program. Labor has indicated that budget cuts would affect all these programs and lead to reduced services for our veterans. I am particularly concerned about cutting services to our homeless veterans, who need help from the Department to be able to find living-wage jobs.

So please tell us about the real-world effects of cutting DOL's Veteran Services, and if a return to fiscal year 2022 levels of funding would hurt homeless, jobless, transitioning veterans.

You can start again, Morgan.

Mr. LIERMANN. Thank you, Mr. Chairman. This is going to have a huge impact on DOL for a lot of reasons, but specifically it is going to hurt their Homeless Veteran Reintegration Program through the Department of Labor and for veterans. It is estimated that it is going to basically take away that potential for up to 5,000 homeless veterans for job training, for additional skills, even those homeless and those at risk.

We are also concerned that it could potentially even have some overlap and some problems with the DOL and with TAP, specifically, which will impact hundreds of thousands of veterans being separated from service.

Chairman TESTER. Okay. Would anybody like to add to that?

Mr. BROWN. I can add just a little bit, if I may. The VA's annual suicide report noted that the largest cohort of veterans dying by suicide are those that are age 18 to 24, and it is important to remember that DOL VETS is one of the few agencies that engages with this particular group of veterans, either through the TAP program or through employment services. So many of these positions have already been impacted by reduced budgeting, and cutting them even further could be detrimental to the lives of these veterans.

Chairman TESTER. One final question. Pat, you got to hear the conversation between Senator Sullivan and myself about two bills, one that he has and one that Senator Durbin has. On caps, could you let us know, but I think your organization supports both bills? Could you let us know your thoughts?

Mr. MURRAY. We do, Senator Tester. We support putting reasonable caps on any bills that affect Camp Lejeune Justice Act. It is similar to our concern about unaccredited claims assistance taking exorbitant amounts of money from veterans. We want to see reasonable caps put in place. We hope that our supporters in the House and Senate will come to a good compromise to make sure that veterans, and specifically in this case, those Marines from years ago, are taken care of.

Chairman TESTER. Thank you. Senator Moran.

Senator MORAN. Chairman, thank you. One of the things I think about the PACT Act that I appreciate is its attempt at trying to provide some fairness to veterans who separated from service more than 10 years ago—within the last 10 years. Excuse me. And what is your view of how well the Department is conducting the outreach necessary to get those and really other veterans? Do we need to be

focused on encouraging, insisting, reviewing, asking questions of the VA about that effort?

Mr. LIERMANN. I will go ahead and take that one real quick, Senator. For 25 years I have been a DAV accredited benefits advocate. I have seen all of the different programs that have come into effect over the last 25 years. And I would have to say, unequivocally, I have never seen an outreach campaign like the VA is doing now with the PACT Act ever before in my career, never with when they added additional benefits for Vietnam veterans, not when they made changes in the late '90s, not even in the 2000s.

So I think it is impressive of what they have already done, and I think that they can do more, but specifically, they have already conducted 1,560 PACT Act awareness events around the country. I have attended several myself. I think VA has been more collaborative with the VSO community in a lot of these events and conversations than I have seen in any other programs since the Appeals Modernization Act.

Senator MORAN. Shane, Mr. Liermann, I am happy when I hear compliments that good things are happening. It is not that I am looking for an answer that says they are failing.

Does anybody else need to comment on that arena? Okay.

One of the problems that we are experiencing—I understand it is a budgetary issue; it is one that we raised during the debate about the PACT Act—is that we created the Toxic Exposure Fund, and it has been a bit of a battle from time to time in this Committee. But it certainly has been successful in setting aside resources. I understand that is important. But it has also unintentionally created new mandatory scoring implications for VA legislation that previously relied on discretionary funding only. We saw that, in fact, in the bill we took to the floor that Senator Tester just asked Mr. Brown about.

We need to find a way that gets us in a position in which every other bill is not handicapped by the score of CBO creating the necessary PAYGO rules to be complied with.

Any thoughts about, I mean, maybe your answer is that we forego PAYGO, not probably a solution that is going to happen in these days. But I would suggest that we need some help in figuring out how we, without being accused of doing anything harmful to the PACT Act, I want to be—not only just not accused, not doing anything harmful to the PACT Act—I want to find a way in which we can solve this problem so that we can move forward with other pieces of legislation that are important to other veterans as well. Any thoughts?

Mr. MURRAY. Senator Moran, I am very glad you brought up first skipping PAYGO. But what we really want to do, we received a briefing just last week, I believe it was, from CBO, and they talked about some of the, what we believe, some of the more outrageous things that they are looking at could come from the Toxic Exposure Fund. I believe it was VA police scheduling system was one of the more outlandish examples they used. That is not what the PACT Act Toxic Exposure Fund was intended for.

We hope that we can clarify that, that we believe will help ease the scoring problem.

Senator MORAN. So your suggestion, PACT Act is that it is education of CBO and its scoring information?

Mr. MURRAY. I think that would be step one. What was in the law is not VA police scheduling system. So some clarification on that, I think, would help.

Senator MORAN. Okay. Anybody else?

I appreciate that answer, and at least the second part of your answer, because I think this is really important. It is going to be a problem for us, time and time again, if we do not get this scoring issue with CBO resolved, and I am pleased that the VFW, and perhaps others, are doing some of our work in education of the CBO. Thank you.

Mr. Brown, I wanted to follow up on your point on raising the cap for non-institutional extended care services. If you want to contradict me, you may, certainly, and I would not be offended, but my understanding is that we are working to fulfill the commitment that we made to work to find a solution. Thirteen billion dollars was the score for that provision. We do not think that is accurate, and we are trying, at this point, to get information from the Department of Veterans Affairs so that we can go back to CBO to get something much more, which we believe, realistic than what they are currently thinking.

So we are trying to educate the CBO as well, but to do that we need the help from the Department of Veterans Affairs with the information and data, the statistics that they have. Am I missing anything?

Mr. BROWN. No, sir. It sounds like we are in 100 percent agreement on that.

Senator MORAN. Great. Thank you all.

Chairman TESTER. I, too, want to thank you for being here. I appreciate what you guys do, how you represent your members, and being able to be here. Some of you guys have been caught in the back room because you hear it at every hearing, and I appreciate that. We make a promise to those who serve our country to deliver for them, and if the VA is going to make good on that promise, they have to have resources to do so.

I think that both the Secretary and you gentlemen have shared valuable insight as we move forward with the appropriations process for 2024. This includes ensuring the VA has resources it needs to implement the PACT Act and continue to improve care and services for veterans of all eras.

With that we will keep the record open for a week, and this hearing is adjourned.

[Whereupon, at 4:38 p.m., the hearing was adjourned.]

A P P E N D I X

Opening Statement

FINAL
SVAC BUDGET HEARING
May 17, 2023

Chairman Tester, Ranking Member Moran, and distinguished Members of the Committee—thank you.

VA will be strengthened by this Committee's work.

I attach great importance to our relationship, and I pledge to each of you my candor and transparency.

…

Let me begin with the story of a Gulf War and Marine Corps Vet ... I'll call him Gary.

Gary deployed to the Persian Gulf three times.

Still, after he was honorably discharged nearly 30 years ago, Gary assumed he wasn't eligible for VA care ...

... not until recently, when Gary heard from some fellow Vets at his local VFW post about <u>their</u> positive experiences with VA.

So Gary started his claims process right away.

As part of his Compensation and Pension exam, Gary had a colonoscopy ... a colonoscopy that showed he had previously undiagnosed colon cancer.

The PACT Act covers that cancer, along with gastrointestinal cancers of <u>any</u> type.

As a result, Gary's claim is service-connected.

He's <u>covered</u>.

Most importantly, he's getting the VA care and treatment that he needs, earned, and deserves.

Gary said, "This whole process probably <u>saved</u> <u>my life</u>."

…

We're hearing from many Vets who've shared similar stories since we've implemented the PACT Act.

Today, VA is delivering more care and more benefits to more Vets like Gary than at any other time in our nation's history.

Vets had over 115 million clinical encounters in the past year…

… with nearly 40 million in-person VA appointments …

… over 31 million tele-health appointments …

... and 38 million community care appointments.

When it comes to benefits, we set a record last year with over 1.7 million claims completed.

And we're on track to break that record this year.

Since the PACT Act was signed last August, Veterans and survivors have filed over 1.6 [1.66] million claims—29.7% more than the same period last year.

Moreover, Vets have filed more than 550,000 [567,009] claims for toxic exposure-related benefits under the PACT Act.

To date, over 3 million Vets have received toxic exposure screenings.

And VA has awarded over $1 billion in earned benefits to Vets, their families, and survivors who filed PACT Act-related claims.

Veterans deserve our very best.

And with the President's proposed budget, we can continue serving them as well as they have served all of us.

...

This year's budget request is $325.1 billion, the largest investment in U.S. history for Veterans, their families, caregivers, and survivors.

This year alone, this will mean:

- **411,000 Vets attending their first VA health care appointment, joining approximately 9 million other enrolled Veterans,**

- **308,000 Vets and 56,000 families receiving their first earned benefits payment, in addition to the nearly 7 million [6.925m] we currently serve,**
- **And over 140,000 Veterans and family members being interred in a dignified, lasting resting place.**

But this budget is about more than numbers.

It's about mental health and preventing Veteran suicide, our top clinical priority, which gets $16.6 billion in this budget.

It's about ending Veteran homelessness, which gets $3.1 billion in this budget.

It's about supporting health care for women Veterans, who get over $1.2 billion in this budget.

And it's about restoring VA's severely aging infrastructure. At nearly $10 billion in investment, this budget recognizes that the traditional approach to infrastructure funding has fallen far short of providing Veterans with modern environments of care.

…

No investment is more critical to our success than the investments in the people we hire and retain here at VA.

So we're increasing hiring, quickly onboarding staff, and incentivizing retention.

Overall, we've onboarded nearly 33,000 [32,933] new people at VHA this year, on our way to our goal of 52,000 new VHA employees.

In fact, we hired more people at VHA in the first half of this fiscal year [29,142 staff] than in any previous year.

We've hired 6,568 Registered Nurses …

… 1,216 Licensed Practical Nurses …

… and 1,768 Nursing Assistants …

… more hires in these three critical occupations than at any time in the past 20 years.

Meanwhile, VBA's been holding regional hiring fairs to interview thousands of applicants.

We extended same day job offers to nearly 1,100 attendees—putting us on track to fill all 1,871 of the authorized PACT Act positions.

Those successes mean more earned benefits to Vets, and new records in delivering outcomes to Veterans.

Last month we completed, for the first time ever, over 9,000 [9,194**] claims in a single day.**

We completed over 8,000 claims in a day <u>53</u> different times this year ... a milestone we have reached only 6 times in the rest of VA's history.

And on April 14th, our VBA team completed its 1 millionth Compensation and Pension claim this fiscal year—a full month sooner than our record-breaking pace last year.

That's a testament to our incredible VA team, the <u>best</u> workforce in the federal government.

I'm talking about people like Phillip Lyman.

Phillip grew up watching his own father, Bennie Lyman Jr., caring for Vets at the Tuskegee Campus of the Central Alabama VA.

Inspired by his father's service, Phillip chose to follow in his footsteps.

Today, Phillip and Bennie have served Vets for a combined 80 years at the Tuskegee Campus.

That's the kind of deep devotion that characterizes VA's people.

…

Thank you.

I look forward to your questions.

Prepared Statements

STATEMENT OF
THE HONORABLE DENIS MCDONOUGH
SECRETARY OF VETERANS AFFAIRS
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
COMMITTEE VETERANS' AFFAIRS
UNITED STATES SENATE
REVIEW OF THE PRESIDENT'S FISCAL YEAR (FY) 2024 and FY 2025
ADVANCE APPROPRIATIONS REQUEST
MAY 17, 2023

Chairman Tester, Ranking Member Moran and distinguished Members of the Subcommittee, thank you for the opportunity to testify today in support of the President's FY 2024 Budget and FY 2025 Advance Appropriations (AA) Request for VA and for your longstanding support of Veterans and their families.

Our Nation's most sacred obligation is to prepare and equip the troops we send into harm's way and to care for them and their families when they return home. VA is honored to fulfill the promise made to care for our brave Veterans throughout their lives. Over the last 2 years, we have delivered more care and more benefits to more Veterans than at any other time in our Nation's history. In FY 2022 alone, the Veterans Benefits Administration (VBA) completed more than 1.7 million disability compensation and pension claims for Veterans, and set a new VA record, breaking the previous year's record by 12%. VA is on track to set another year record in FY 2023. During this same period, the Veterans Health Administration (VHA) provided more than 115 million clinical encounters, with VA serving over 6.3 million patients. This included roughly 40 million in-person appointments; over 31 million tele-health and telephone appointments; and approximately 38 million community care appointments. VA's relentless commitment to Veterans and a continued emphasis on fundamentals contributed to VA meeting these goals.

I am incredibly proud to report that for the 7th consecutive year, the National Cemetery Administration (NCA) received the top rating among participating

organizations in the American Customer Satisfaction Index, with a score of 97 (out of 100), the highest result ever achieved for any organization in either the public or private sector. Committed to excellence and dignified committals, NCA interred nearly 150,000 Veterans and eligible family members in our national cemeteries in FY 2022, the highest number of annual interments VA has ever recorded. NCA delivered more than 350,000 headstones, markers and columbarium niche covers around the world and provided nearly 12,000 medallions in 2022 to mark the privately purchased headstones of Veterans.

VA appreciates the tremendous work the Congress has done to enable VA to achieve these exceptional results and we will continue to partner with Congress to secure authorities needed to improve our agility, responsiveness and accessibility to more Veterans than ever before. Both the Veterans Access, Choice, and Accountability Act (Choice Act) of 2014 (P.L. 113-146) and the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act of 2018 (P.L. 115-182) made it easier for Veterans to receive care from non-VA community providers while continuing to benefit from VA's Veteran-centric care coordination. The Veterans Comprehensive Preventions, Access to Care and Treatment Act of 2020 (COMPACT Act; P.L. 116-214) enabled VA to provide health care services to all eligible individuals in acute suicidal crisis at no cost both in VA and in the community.

The enactment of the Johnny Isakson and David P. Roe, M.D., Veterans Health Care and Benefits Improvement Act of 2020 (P.L. 116-315) ushered in significant improvements to various GI Bill® programs, expanded the Veteran Employment through Technology Education Courses (VET TEC) program and enhanced education benefits for Veterans, Servicemembers, families and survivors. Both the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019 (Hannon Act; P.L. 116-171) and the Support the Resiliency of Our Nation's Great Veterans Act of 2022 (STRONG Veterans Act; Division V of P.L. 117-328) have broadened mental health care and suicide prevention programs and have advanced VA's efforts in promoting well-being among Veterans. The Joseph Maxwell Cleland and Robert Joseph Dole Memorial Veterans Benefits and Health Care Improvement Act (Cleland Dole Act;

Division U of P.L. 117-328) will enhance VA's ability to furnish health care and benefits to Veterans, including rural Veterans. These authorities build upon VA's ability to meet the unique needs of the Nations' heroes and ultimately save lives.

In 2022, Congress passed the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act; P.L. 117-168). The PACT Act represents the largest expansion of Veterans' benefits in a generation, and I am immensely proud that our broad efforts, spanning nearly every Administration and office within VA, have yielded positive results. We continue to see steady increases in the number of toxic exposure-related disability compensation claims filed and processed as Veterans' understanding of the PACT Act grows. Even with these early successes, there is more to do to ensure every possible eligible Veteran receives the benefits and health care they have earned. Our focus will remain on increasing Veteran outreach, processing claims timely, providing health care, modernizing our IT systems and having the right number of people in place to deliver on our promise to Veterans.

VA greatly appreciates Congress' commitment to providing VA the necessary funding to support the PACT Act through its establishment of the Cost of War Toxic Exposures Fund (TEF). As we continue to learn what the full resource requirements are for this incredibly important support to Veterans, we remain committed to transparency and will work closely with our partners, as demonstrated through our recent publicly available dashboard. The 2024 President's Budget request, including our TEF request, will ensure VA fulfills our responsibilities to Veterans, Congress and American taxpayers.

FY 2024 Budget and FY 2025 AA Request

The total 2024 request for VA is $325.1 billion (mandatory and discretionary, including collections and the Recurring Expenses Transformational Fund (RETF), a $16.6 billion or 5.4% increase above the 2023 enacted level. This includes a discretionary budget request of $142.2 billion (with $4.3 billion from medical care collections), a $3.4 billion or 2.4% increase above 2023. When combined with $600 million from RETF, the total discretionary funding level is $142.8 billion, including

collections. The 2024 mandatory funding request is $182.3 billion, with $20.3 billion for the TEF, an increase of $13.6 billion or 8.1% above 2023.

The 2024 Budget again proposes to separate out the VA medical care program as a third category within the discretionary budget based on a recognition that VA medical care has grown much more rapidly than other discretionary spending over time, largely due to systemwide growth in health care costs. In 2024, the Budget reflects $128.1 billion in enacted AA for VA medical care programs, together with a proposed cancellation of $7.1 billion in unobligated balances, for a discretionary total of $121 billion for VA medical care, which is in addition to a $17.1 billion TEF request for medical care.

The 2025 Medical Care AA request includes a discretionary funding request of $112.6 billion, together with a mandatory advance appropriation request of $21.5 billion for the TEF. The 2025 mandatory AA request is $193.0 billion for Veterans benefits programs (Compensation and Pensions, Readjustment Benefits, Veterans Insurance and Indemnities), which, together with the TEF, results in a combined mandatory total of $214.7 billion.

PACT Act

The PACT Act is a major factor in the expansion of care and benefits to Veterans. In FY 2024, VA will continue to work to provide a “One-VA” experience to all Veterans, survivors, family members and caregivers as we proactively work to deliver timely benefits, services and high-quality health care.

VA began nationwide PACT Act-related disability compensation claims processing on January 1, 2023. As of April 15, 2023, VA has received more than 484,000 PACT Act-related claims since August 10, 2022 and completed over 227,000 claims. Using the new PACT Act authorities, VA has granted service connection for over 2,800 terminally ill Veterans.

VA began a comprehensive, targeted outreach effort to encourage Veterans and survivors to apply immediately for PACT Act-related care and benefits. For example, VA

hosted 127 PACT Act "Week of Action" events in all 50 States, the District of Columbia and Puerto Rico. More than 50,000 attendees participated in person or online. During these events, VA completed 5,600 toxic exposure screenings and received 2,600 claims for benefits and more than 800 health care enrollment applications. As of April 19, 2023, more than 3 million toxic exposure screenings have been performed.

VA has been running a robust advertising campaign to educate Veterans and their families about the PACT Act. To date, VA has spent over $4 million with digital, social and traditional media advertising across the country. The campaign's focus is on maximizing awareness of the PACT Act, and the call to action to all eligible Veteran survivors to apply for these benefits that they have earned and deserve. In FY 2024, VA will continue to drive paid advertising campaigns as an important way to reach Veterans not currently connected with VA or Veterans Service Organizations (VSOs). VA will continue to focus on marketing efforts on reaching Veterans of all generations, races and genders.

One of the biggest challenges VA will continue to face in FY 2024 is identifying and contacting survivors, even more so now that many more are eligible for benefits under the PACT Act. We have mailed nearly 300,000 letters to potentially eligible survivors. VA is also leveraging social media and posting YouTube videos to provide easy to read information on the PACT Act. VA's goal in FY 2024 is to continue to provide information on the PACT Act, not just to survivors themselves, but to anyone who may know a survivor so that VA's message can reach as many impacted individuals as possible.

To ensure all eligible Veterans obtain the benefits and care they earned through their service, the Budget for VA medical care provides $82 million for the Health Outcomes and Military Exposures (HOME) Office, an 85% growth over 2022. VHA will regularly screen enrolled Veterans for military-related toxic exposures and ensure clinicians understand how such exposures affect Veterans' health. VA is working to improve the Airborne Hazards and Open Burn Pit (AHOBP) registry and will track the VHA health care utilization of the PACT Act-eligible cohort. To ensure these Veterans

receive the highest quality care available, the Budget also provides $68 million for Military Occupations and Environmental Exposures research, which will yield improvements in the identification and treatment of medical conditions potentially associated with toxic exposures.

VA is also committed to recruiting, onboarding and integrating new employees across the enterprise to further implement the PACT Act for Veterans and survivors. In FY 2023, VA held a series of successful hiring fairs. Throughout the next year, VA will continue to hold hiring fairs across the country, with an emphasis on hiring Claims Examiners, HR Specialists, IT Specialists, nurses and more. In addition, VA has actively engaged the workforce through a variety of avenues and solicited feedback. These investments in employee engagement will continue to be critical as we look to continue to hire more employees than ever before. Under the initial TEF spend plan, Congressionally approved on October 6, 2022, VA allocated 1,871 positions towards claims processors and support staff. As of April 17, 2023, VA has hired 1,530 of the 1,871 positions (82%). VBA also plans to hire another 6,720 claims processors and support staff with the additional TEF funding provided in the FY 2023 appropriation. In addition, VBA Human Capital Services (HCS) secured a PACT Act direct hire authority (DHA) from the Office of Personnel Management (OPM) that will expedite the hiring of mission-critical occupations through September 30, 2027, for Human Resources Management, Human Resources Assistant, General Legal and Kindred and Veterans Claims Examining series positions. The DHA is used with a system of open continuous announcements that results in a steady flow of eligible and available applicants for selection at predetermined timeframes that suit the needs of the organization. VBA has also created opportunities to increase hiring by hosting on-site hiring events designed to connect job seekers nationwide with current PACT Act positions for Veterans Service Representative (VSR), Rating Veterans Service Representative (RVSR) and Legal Administrative Specialist (LAS) positions. VA will continue to leverage all available hiring options to ensure we meet our PACT Act hiring goals – including the use of expanded hiring authorities provided in Title IX of the PACT Act.

Investing in Our People

Providing world class health care is only possible with an enterprise-wide team of the best and brightest in their respective fields. We are hiring more staff across the Department to ensure that care and benefits are delivered in a timely manner while also focusing on improving the employee experience to deliver positive outcomes for Veterans, their families, caregivers and survivors. VA is investing in our people by dramatically increasing hiring, holding surge events to onboard staff more quickly, increasing the use of incentives for recruitment and retention, maximizing pay authorities and scheduling flexibilities, expanding scholarship opportunities and providing more education loan repayment awards than ever before. For example, using the recently approved DHA for mission critical occupations, VBA was able to increase its total workforce by more than 5% (more than 1,300 employees) in the first 4 months of FY 2023, compared to less than 1% growth in the workforce over the same time period in FY 2022.

A nationwide onboarding event held in November 2022 resulted in onboarding more new staff in VHA in the first quarter of FY 2023 (12,900 staff) than in the first quarter onboarding in any previous year. This was 86% higher than the historical average number onboarded in the first quarter. Onboarding for VHA continued to be high in January 2023 (5,603 new staff onboard, approximately 600 more than last January). VHA's emphasis on hiring has resulted in an overall net increase of onboard staff of 2.1% as of January 31, 2023. This is already two-thirds of VA's annual target of 3% growth just 4 months into the fiscal year.

In FY 2022, VHA nearly doubled the number of scholarships for clinical education offered to employees and increased the number of Education Debt Reduction Program (EDRP) awards to over 3,000. Additionally, the percentage of staff receiving recruitment, retention and relocation incentives (3Rs) more than doubled from 5.9% to 12.2%. At rural facilities, the use of 3Rs increased from 4.3% to 18.9%. In addition, for some critical shortage occupations, such as housekeeping aides (10.5% to 35%) and food service workers (2.1% to 18.7%), the use of 3Rs increased even more

dramatically. These incentives reduce losses in for critical shortage occupations and help VA successfully compete for health care and entry level staff.

Focus on Wellbeing of Veterans

VA's 2024 Budget will provide the resources to ensure we provide the benefits and services to support Veterans' health and economic wellbeing.

Veterans Benefits

The 2024 Budget includes $3.9 billion in discretionary funding for the General Operating Expenses, VBA account, a $36 million increase over the 2023 Budget. This includes funds for the Veteran Transitional Assistance Grant Program (VTAGP) required under P.L. 116-315, Section 4304, and increased overtime funding to support the timely processing of claims.

The President's Budget provides disability compensation and survivor benefits to over 6 million Veterans and their families; education and job training benefits to 928,000 Veterans and qualified dependents; guarantees about 553,000 home loans and funds 5.6 million total lives insured for Veterans, Service members and qualified dependents.

Last fiscal year, VBA set a record for the highest claims production with more than 1.7 million claims completed. As of April 15, 2023, VBA already has completed 1,008,879 claims, which is 13.1% more claims than last year at this time. Since the PACT Act was signed, as of April 15, 2023, Veterans and their survivors have filed more than 1,473,655 total claims, an increase of more than 28.5% over the same period last year. As mentioned above, VBA continues to hire to increase its claims processing capacity in anticipation of the influx of claims filed due to the PACT Act. VBA developed a robust claims projection model which shows what the claims inventory will look like with the inclusion of PACT Act claims. In addition to hiring, VBA is reviewing processes and developing technology to address the growing complexity of claims. Using Automated Decision Support technology, VBA is automating multiple administrative tasks within the claims process such as locating and compiling information from Veterans' electronic records, verifying military service eligibility for PACT Act claimants,

ordering examinations when required, and expediting claims that can be decided based on the evidence of record. The PACT Act authorizes the use of appropriations to modernize and expand the capabilities and capacity of information technology (IT) systems and infrastructure at VBA.

Prevent Veteran Suicide

VA has made suicide prevention a top clinical priority and is implementing a comprehensive public health approach to reach all Veterans. Funding for mental health, including suicide prevention, is $16.6 billion in FY 2024, up from $15 billion in FY 2023. Our commitment to a proactive, Veteran-centered Whole Health approach is integral to our mental health care efforts and includes online and telehealth access strategies. Whole Health can help Veterans reconnect with their mission and purpose in life as part of our comprehensive approach to reducing risk.

Suicide is a complex issue with no single cause. Maintaining the integrity of VA's mental health care system is vitally important, but it is not enough. We know some Veterans may not receive any health care services from VA. To support this nationwide effort, the budget specifies $559 million for suicide prevention outreach programs, in addition to $2.5 billion in suicide-specific medical treatment, which includes a new $10 million program to further bolster these efforts under the authority of section 303 of the STRONG Veterans Act.

In 2022 and 2023, VA conducted a $20 million open innovation grand challenge, known as "Mission Daybreak", to accelerate the development of solutions across the Nation to reduce Veteran suicide. "Mission Daybreak" is part of VA's 10-year strategy to end Veteran suicide through a comprehensive, public health approach. VA launched the multiphase challenge in May 2022, receiving more than 1,300 concept submissions from Veterans, VSOs, community-based organizations, health tech companies, industry startups and universities. Mission Daybreak Phase I selection of 30 Grand Challenge finalists was completed in November 2022 and 10 Mission Daybreak innovation winners were announced on February 16, 2023.

The Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) awarded $52.5 million to 80 community-based organizations in 43 States, the District of Columbia and American Samoa in FY 2022. These organizations provide or coordinate the provision of suicide prevention services for eligible individuals, including Veterans and their families. VA has provided technical assistance to grantees, who began providing suicide prevention services in January 2023. Twenty-one grantees serve Tribal lands including the Navajo Nation, Cherokee Nation, Choctaw Nation, Alaskan Native Tribes and others. Funding decisions prioritized grants to rural communities, Tribal lands, Territories of the United States, areas with medically underserved groups, areas with a high number or percentage of minority Veterans or women Veterans and areas with a high number or percentage of calls to the Veterans Crisis Line. In alignment with VA's National Strategy for Preventing Veteran Suicide, SSG Fox SPGP assists in further implementing a public health approach that blends community-based prevention with evidence-based clinical strategies through community efforts. The FY 2024 Budget plans to award $52.5 million in grants.

The Veterans COMPACT Act created a new authority in 38 U.S.C. § 1720J for VA to provide health care services to all eligible individuals in acute suicidal crisis at no cost both in VA and in the community. This provision increases access to care and is in full alignment with VA's National Strategy for Preventing Veteran Suicide. VA published an interim final rule on January 17, 2023, and immediately began providing this new benefit to eligible individuals. As part of implementation VA developed a robust communications plan targeted toward eligible individuals, Veterans and community providers. VA continues to aggressively address critical cross-platform information technology enhancements to ensure that multiple administrative and clinical systems work seamlessly together to ensure timely and efficient care at no cost. We are committed to ongoing education and training efforts within VA and in the community as we deploy this new, life-affirming benefit in our ongoing suicide prevention efforts.

Women Veterans carry an especially high burden of mental health conditions. These include gender-specific conditions associated with heightened suicide risk, such as premenstrual dysphoric disorder, postpartum depression and perimenopausal

depression. Among eligible women receiving VHA care, nearly 60% are diagnosed with at least one mental health condition (as compared to 37.8% of eligible men), and many struggle with multiple mental health concerns, medical comorbidities and psychosocial challenges. VA has implemented numerous initiatives to ensure VHA mental health providers have the expertise to address women Veterans' unique and diverse treatment needs and assess and address their risk for suicide, and we are committed to expansion of these innovations. VA is also ramping up efforts to increase the visibility of all VA services for women Veterans, including developing a cadre of women Veteran-focused peer support resources and outreach campaigns. Today's women Veterans need to know what VA has to offer.

Among the risk factors for suicide, substance use disorder (SUD) is strongly implicated. In addition, drug overdose fatalities inclusive of suicide have escalated. Therefore, the need for effective interventions to address substance use cannot be overstated. The President's Budget includes $254 million to improve VA's opioid safety initiative and to continue our joint work with DoD in the field of pain management, consistent with the requirements of the Comprehensive Addiction and Recovery Act of 2016 (P.L. 114-198, Title IX, Subtitle A, §§911-912, the Jason Simcakoski Memorial and Promise Act). VA is also expanding evidence-based SUD treatment and harm reduction initiatives consistent with the Biden-Harris Statement of Drug Policy Priorities. The President's Budget includes $231 million supports VA staff initiatives to support Veterans specific needs, including employment, housing, case management, peer support, as well as in-patient and out-patient care.

Furthermore, VA's budget continues to support expansion of its Psychotropic Drug Safety Initiative to address the growing crisis of stimulant use overdose fatalities. This initiative ensures the safe and appropriate prescribing of stimulant medications as well as expanding Veterans' access to evidence-based treatments for stimulant use disorder. These include cognitive-behavioral therapy and contingency management, both of which are recommended by the 2021 VA-Department of Defense (DoD) Clinical Practice Guidelines for the Management of SUDs.

President Biden's continued focus on the national mental health crisis recognizes that access to mental health care is challenging. VA continues to evaluate staffing needs and prioritizes mental health hiring and training. However, we recognize that hiring additional mental health staff in VA will not resolve the growing demand. To address President Biden's vision to increase system capacity, connect Veterans to care and create a full continuum of support for Veterans, VA is committed to being the Nation's leader in ongoing research enhancing current mental health treatment, identifying new mental health interventions and developing effective prevention and at-risk identification protocols. Ongoing Congressional support for VA Mental Health Centers of Excellence, the Mental Illness Research, Education and Clinical Centers, and mental health research initiatives through the Health Services Research and Development Service will be essential as VA continues to address access, mental health care and suicide prevention.

Health Care Budget Request

Providing Veterans access to the soonest and best care is at the core of our mission. Over the last 2 years, VA has delivered more care to more Veterans through both VA and community care providers than during any time in the Nation's history. Veterans completed more than 73 million outpatient appointments in VA and an additional 38 million community care outpatient appointments in calendar year (CY) 2022. While enrolled Veterans continue to receive most of their outpatient care in VA, more than 3.5 million Veterans have completed at least one outpatient appointment with a community care provider since we implemented the VA MISSION Act of 2018. As such, more than one third of all Veterans enrolled in VA health care have been eligible for and chosen to receive at least one community care appointment at some point in the last 5 years.

Veterans today have more options for care through VA than ever. This includes care delivered both in-house and by our network of community providers. More specifically, VA has more than 1,100 VA medical centers (VAMCs) and community-based outpatient clinics (CBOCs) in which Veterans may receive their care. VA offers care in-person, over the phone or through video appointments as clinically appropriate.

VA's community care network has more than 1.3 million community care providers across all 50 States, Territories and possessions of the United States, The District of Columbia and the Commonwealth of Puerto Rico. Enrolled Veterans also have access to community urgent care, and all eligible individuals have access to emergent suicide care.

Whole Health

Whole Health is an approach to health care that empowers and equips Veterans with the ability to take charge of their health and well-being and to live their life to the fullest. Transforming VA into a Whole Health system of care has successfully launched and is receiving full support at both the national and local levels, including strong endorsement in a recent National Academy of Medicine report. In FY 2022, 16.3% of all Veterans receiving care through VA also received Whole Health services. This care was delivered to 1.1 million Veterans through 3,998,602 encounters which were both Whole Health-specific and which integrated the Whole Health approach into routine clinical encounters. Tele-Whole Health encounters have grown to include 98,000 unique Veterans participating in 513,000 encounters in FY 2022, an increase of 39.0% unique patients and 32.9% of encounters over FY 2021. Robust formal evaluations continue to focus on outcomes for Veterans and employees, which includes a review of specific cost avoidance that is traceable to implementation of Whole Health Services (e.g., opioid use reduction, decrease in spinal procedures). The 2024 President's Budget for Whole Health includes $108 million. VA is fully committed to making the Whole Health approach an integral part of how we deliver care to Veterans and our employees.

Women Veterans

Women make up 17.2% of today's Active Duty military forces and 21.1% of National Guard and Reserves. VA continues to reach out to women Service members and Veterans, to encourage them to enroll and use the services they have earned. As a result, the number of women Veterans enrolling in VA health care is rapidly increasing. More women are choosing VA for their health care than ever before, with women accounting for over 30% of the increase in Veterans served over the past five years. Investments support comprehensive specialty medical and surgical services for women

Veterans at a VA facility or through referrals to the community. The number of women Veterans using VA services has more than tripled since 2001, growing from 159,810 to more than 625,000 today. VA is committed to providing high quality, equitable care to women Veterans at all sites of care.

The Budget requests $257 million for women's health and childcare programs, a 66% increase over 2023. This increase supports $174 million for the Women's Health Innovation and Staffing Enhancement Initiative. VA is strategically enhancing services and access for women Veterans by hiring women's health personnel nationally to fill any gaps in capacity across all Veterans Integrated Service Networks (VISNs). In FY 2023 VA is providing funding for a total of over 1,000 women's health personnel nationally: primary care providers, gynecologists, mental health providers and care coordinators. VA is also addressing clinical equipment needs such as those for mammography, exam tables designed for women with low mobility, and breastfeeding privacy pods. VA is also expanding childcare benefits beyond the current pilot sites.

To support pregnant and postpartum Veterans, VA has developed a Maternity Care Coordination (MCC) program in all VA health care systems to ensure coordination of care both in VA and in the community. This program includes expanding follow-up with Veterans for the particularly vulnerable first year postpartum, as well as providing lactation services, training, toolkits and support community of practice.

VA is focusing on enhancing care coordination for preventive care, such as breast cancer screening. VA is implementing the Dr. Kate Hendricks Thomas Supported Expanded Review for Veterans in Combat Environments Act (SERVICE Act, P.L. 117-133); beginning in March 2023, VA is providing SERVICE Act breast cancer risk assessments to Veterans eligible under that Act (generally those who served in certain locations where burn pits were used during the Gulf War and the Post-9/11 era) with referral for mammography as clinically indicated. Breast and cervical cancer screening programs require meticulous tracking to ensure that all eligible Veterans receive appropriate screening and receive results of screening tests, and that follow-up care is arranged as needed. VA policy requires each facility to have a process for tracking

results and timely follow-up for breast and cervical cancer screening. VA policy also requires that facilities have personnel assigned to breast and cervical cancer care coordination. To ensure accuracy, timeliness and reliability, VA tracks the provision of breast and cervical cancer screening and the availability of breast and cervical cancer care coordinators across the system. VA is also implementing section 603 of the PACT Act by conducting toxic exposure screening for all enrolled Veterans, including women Veterans. The Breast and Gynecologic Cancer System of Excellence is providing state-of-the-art breast and gynecologic cancer care and care coordination across the system through VA's tele-oncology program.

Homeless Programs

VA's longstanding support for Veterans who are homeless or at risk of homelessness is enhanced through taking a Whole Health approach. VA will ensure Veterans who are housed in VA programs do not return to homelessness by implementing a case management model to mitigate risk factors. VA will also leverage its existing programs through targeted outreach to reduce the number of unsheltered Veterans.

The 2024 Budget increases resources for Veterans' homelessness programs to $3.1 billion, with the goal of ensuring every Veteran has permanent, sustainable housing with access to high-quality health care and other supportive services to end and prevent future Veteran homelessness. This Budget includes funds to assist with the design and development of expanded services for aging and disabled Veterans, a growing need and area of focus for the Department of Housing and Urban Development (HUD) – VA Supportive Housing (VASH) program. In addition, funds will be used to provide a medical home model and population tailored approach to provide in-home primary care and wrap around services to Veterans actively enrolled in the HUD-VASH program, provide additional resources to increase outreach and community engagement efforts, as well as expansion of Veteran justice services, such as treatment courts and Veteran-focused criminal justice initiatives. Funding will also support the VA Grant and Per Diem (GPD) program to increase per diem rates to community partners actively supporting VA's effort to end Veteran homelessness.

On a single night in January 2022, there were 33,129 Veteran experiencing homelessness in the U.S. However, significant progress is being made to prevent and end Veteran homelessness. Since 2010, efforts by VA and our Federal partners have led to a more than 55% reduction in Veteran homelessness. Since 2015, there have been 83 communities and three States (Delaware, Connecticut and Virginia) that have met the criteria and benchmarks established by the U.S. Interagency Council on Homelessness, for effectively ending Veteran homelessness. Additionally, in CY 2022, VA permanently housed more than 40,000 homeless Veterans, exceeding our permanent housing goal for CY 2022 by more than 6%.

Research

The 2024 Budget requests a total of $984 million for research through the Medical Prosthetics and Research account and TEF. These combined resources will improve Veterans' health and well-being via basic, translational, clinical, health services, rehabilitative, genomic and data science research; apply scientific knowledge to develop effective individualized care solutions for Veterans; attract, train and retain the highest-caliber investigators and nurture their development as leaders in their fields; and ensure a culture of professionalism, collaboration, accountability and the highest regard for research volunteers' safety and privacy.

Military Environmental Exposures

In FY 2024, the Office of Research and Development (ORD) will expand its investment in this important area and to coordinate with environmental exposure focused programs as part of the implementation of the PACT Act. Critical components of this effort in FY 2024 are building capacity (including the number of researchers funded to conduct military exposures research) and building inter-governmental partnerships. One major step forward is convening an interagency workgroup on toxic exposure research, called for in Section 501 of the PACT Act, to identify evidence gaps and craft a strategic plan to address gaps.

Traumatic Brain Injury (TBI)/Brain Health

Increased investment in TBI remains critical as it is the signature injury of post-9/11 Veterans who served in the wars in Iraq and Afghanistan. While the acute care of TBI has improved, treatments for the longer-term consequences most relevant to Veterans have proven elusive. This injury can lead to lifelong disabilities that can vary by severity, the characteristics of the event or events that caused the injury (e.g., blast versus blunt force) and the number of incidents of injury.

Mental Health, including continued execution of projects under the Hannon Act

This request supports mental health and suicide prevention research, including the Hannon Act. This effort also includes clinical trials and epidemiological studies on risk and prevention factors, as well as biomarker-driven precision mental health projects done in collaboration with VHA's Office of Mental Health and Suicide Prevention.

Cancer and Precision Oncology

VA is committed to promoting measurable progress toward President Biden's Cancer Moonshot initiative. To that end, VHA's research and clinical oncology programs both collaborate with the National Cancer Institute (NCI) and other external entities to maximize Veterans' benefit from cutting edge improvements in oncology care (for example, by increasing Veterans' access to clinical trials). The 2024 Budget includes $94 million to support 369 research projects to improve our ability to diagnose and treat cancers.

Clinical trials are often part of standard clinical care for patients with cancer and are a second area of clinical-research integration in Precision Oncology. Together, these elements form a System of Excellence for the full spectrum of care for a particular cancer type. Systems of Excellence are established for Prostate/Genitourinary Cancers and Lung. In 2024, VA will expand on the Rare Cancers System of Excellence, add additional molecular testing capabilities, enhance the pathology and laboratory infrastructure and partner with DoD and others to improve cancer care through the White House Cancer Moonshot.

The Budget invests $33.3 million within VA's cancer research programs, together with $215.4 million within the VA medical care program, for precision oncology to provide access to the best possible cancer care for Veterans. The vision of VA's Precision Oncology Initiative is for Veterans to have access to care as close to their homes as possible that is comparable to the Nation's leading cancer centers. Funds support research and programs that address cancer care, rare cancers and cancers in women, as well as genetic counseling and consultation that advance tele-oncology and precision oncology care. The 2024 investment for precision oncology represents a 31% increase over 2023.

Caregivers

VA expanded its Program of Comprehensive Assistance for Family Caregivers (PCAFC) to eligible family members and eligible Veterans of all service eras on October 1, 2022. From that date through February 8, 2023, VA received over 44,300 applications. Originally, PCAFC was only available to eligible Veterans who incurred or aggravated a serious injury in the line of duty on or after September 11, 2001. On October 1, 2020, VA expanded the program to eligible Veterans who incurred or aggravated a serious injury in the line of duty on or before May 7, 1975, or on or after September 11, 2001. As of February 8, 2023, there are over 45,500 Veterans participating in the PCAFC across the country, including U.S. Territories and 98% of PCAFC applications are dispositioned in under 90 days.

The Budget recognizes the important role of these family caregivers in supporting the health and wellness of Veterans. The $2.4 billion included in this Budget supports staffing, stipend payments, the Program of General Caregiver Support Services (PGCSS), training and education, as well as other services to empower family caregivers of eligible Veterans. In addition, this funding allows for further improvements and enhancements, such as extending telemental health care to caregivers, allowing VA to reach and support more caregivers than before.

VA is currently undertaking a broad programmatic review of the PCAFC to ensure it meets the needs of Veterans and their family caregivers. While this review is underway, VA has suspended annual reassessments for participants of the PCAFC. VA

will not discharge or decrease any support to PCAFC participants and their family caregivers, based on reassessment, to include monthly stipends paid to primary family caregivers, as the current eligibility criteria are examined.

As we look to the year ahead, VA seeks to build upon the CSP program with an emphasis on the "Year of the Caregiver." The Year of the Caregiver is about ensuring caregivers know they belong to a community that cares. Through this theme, VA is not only adding to what it offers to caregivers but focusing on how it is offered and implementing and improving support and services for caregivers of Veterans.

Transforming Systems, Processes, and Infrastructure

VA is transforming systems, processes and infrastructure in order to achieve operational excellence, increase productivity and ensure that systems and processes are easy to use by both the staff and the Veterans we serve. Outcomes for Veterans drive everything we do – because Veterans are the ultimate judges of our success.

Digital Transformation

VA continues its Digital Transformation journey with the Office of Information and Technology (OIT) providing the infrastructure, engineering, leadership and functions to deliver world-class IT products and services and to improve the end-user experience for Veterans, their families, caregivers and survivors.

Modern Veteran IT services include telehealth services with VA care teams, seamless transition of health care information from DoD to VA systems, acceleration of benefit claims processing, and improved customer digital interactions. To become the Best IT Organization in Government, OIT's 2024 Budget includes $6.4 billion in discretionary funding for continued transformation efforts from modernization of aging infrastructure, efficient delivery of IT services to VA employees and enhancement of the Veteran experience.

The Budget prioritizes Cybersecurity, the Infrastructure Readiness Program (IRP) to reduce technical debt, Financial Management Business Transformation (FMBT),

Human Resource IT Solutions, Telehealth Services and Claims Automation that allows for timely access to benefits and care for Veterans. Notably, the cybersecurity budget includes $927 million (combined Base Budget and TEF) to deliver enterprise-wide cybersecurity strategies, policy, governance and oversight to protect Veteran data and VA critical information systems. Also, the 2024 Budget invests in the implement of Zero Trust Architecture (ZTA) principles. Our goal is to secure Veterans' data – where it may live – while allowing legitimate access to Veteran and VA data.

Further, the 2024 Budget includes re-platforming for VA's oldest legacy systems onto modern low-code/no-code Platform as a Service (PaaS) and Software as a Service (SaaS) solutions. This will satisfy the increased demand for new IT capabilities, free space for clinical purposes and enhance IT infrastructure services.

Electronic Health Record Modernization (EHRM)

We readily acknowledge there have been challenges with our efforts to modernize VA's electronic health record (EHR) system. As we work through the challenges, our commitment remains unwavering—to provide world-class patient care and prioritize patient safety for the Veterans we serve. Though there is still a lot of work to do, important progress has been made since our first go-live in Spokane. For example, VA requested corrective actions within the Oracle Cerner database configuration that resulted in an 8-month period without a complete outage. We also continue to improve the system based on feedback from our health care personnel in collaboration with Cerner. On February 17, 2023, the three priority pharmacy enhancements were installed as part of the Block 8 upgrade to the EHR system. These enhancements are an important step in resuming EHR system deployment and will reduce burden on personnel at the five sites using the new EHR.

Last week, I announced that future deployments of the new EHR will be halted while we prioritize improvements at the five sites that currently use the new EHR, as part of a larger program reset. During this reset, we are focused on assessing and remediating any identified issues at live sites, with a continued focus on patient safety. When we move forward with deployments, we will, of course, incorporate lessons

learned and implement continued improvements we have identified, so that we can achieve the benefits of a modern EHR system. We strive to have a system that will support improved access, outcomes and experiences for Veterans, through a single health record from entry into military service through their VA care.

VA and Cerner are currently working toward an amended contract that will increase Cerner's accountability to deliver a high-functioning, high-reliability, world-class EHR system. Also, as part of the reset, VA is committed to working with Congress on resource requirements. VA estimates FY 2023 costs will be reduced by $400 million.

In addition to the funding requested for the EHRM account, VHA's Medical Facilities request includes $750 million in Non-Recurring Maintenance (NRM) funding for facility EHR infrastructure projects, which will also support IT operational improvements.

The EHR has been deployed to five VAMCs, including 22 CBOCs and 52 remote sites with more than 10,000 medical personnel using the system, serving more than 200,000 Veterans. As improvements continue to be made over the next few months, VA will continually evaluate the readiness of each site as well as the EHR system to ensure success. To be clear, we will not go live at any site with unresolved safety critical findings, yet we remain firm in our resolve to continue modernizing the EHR.

FMBT

The FMBT program is increasing the transparency, accuracy, timeliness and reliability of financial and acquisition activities across the Department. The 2024 Budget includes $394.7 million (including General Administration, Information and Technology, Supply Fund and Franchise Fund sources) for FMBT, a program that is improving fiscal accountability to taxpayers and enhancing mission outcomes for our employees who serve Veterans. So far, we have completed five successful deployments of the new Integrated Financial and Acquisition Management System (iFAMS) across NCA, VBA and staff offices, all of which have provided invaluable lessons learned and numerous opportunities to improve our approach. As part of FMBT's commitment to continuous improvement, we continue to work with stakeholders and end users to proactively adjust our deployment approach to better manage the complexities inherent in a financial and

acquisition system transformation effort of this magnitude. Each implementation brings us one step closer to providing a modern, standardized and secure integrated solution that enables VA to meet its objectives and fully comply with financial management and acquisition mandates and directives. As of February 2023, there have been over 2.1 million transactions successfully processed in iFAMS, and over $6 billion in payments made through the Department of the Treasury.

Deployment of iFAMS is taking place in phased implementations, called "waves," across VA administrations and staff offices. In just a few months, we will go live with our largest system rollout yet. This includes some of VA's largest staff offices and will increase the current iFAMS user base by almost 50%. In December 2023, we will deliver an iFAMS upgrade, which will provide substantial enhancements to system performance, functionality and ease of use. iFAMS will also go live for VBA Loan Guaranty later in FY 2024 and continue system rollouts across the remaining VA administrations and staff offices until enterprise-wide implementation is complete.

Infrastructure

The President's 2024 Budget includes $4.1 billion for construction requirements – $3.5 billion in Major and Minor Construction appropriations in addition to $600 million in estimated unobligated balances from RETF planned for Major Construction requirements. Funding for two major medical facility projects, including the St. Louis Replacement Bed Tower, Clinical Building Expansion, Consolidated Administrative Building and Warehouse, Utility Plan and Parking Garages project supporting over 149,000 Veteran enrollees, and two national cemetery expansion projects are included in the request. The 2024 Budget includes $112 million in major construction funds for a gravesite development project at Tahoma National Cemetery and a gravesite expansion project at Jefferson Barracks National Cemetery. The Budget also includes $182.6 million in Minor Construction funds for gravesite expansion and columbaria projects to keep existing national cemeteries open and for projects that address infrastructure deficiencies and other requirements necessary to support national cemetery operations. RETF will provide funding for eight additional medical facility Major Construction

projects, bringing the total to 12 major construction projects funded in FY 2024. In addition, VHA's Medical Facilities account includes $5.75 billion for NRM.

VA's robust FY 2024 capital request reflects infrastructure's importance in enabling the delivery of care and benefits and doing so in ways that are sustainable and resilient as guided by Executive Order 14057. For example, the PACT Act significantly expands benefits, and VA must plan for infrastructure required to support this increase in health care for Veterans.

The VA infrastructure portfolio consists of approximately 184 million owned and leased square feet which is one of the largest in the Federal Government, but is rapidly aging and deteriorating. While the median age of U.S. private sector hospitals is 13 years, the median age of VA's portfolio is 60 years. With aging infrastructure comes operational disruption, risk and cost. VA's 2024 Budget highlights the importance of modernizing our infrastructure to maintain and expand our portfolio and support the continuing mission growth.

As part of our Budget request, the Department has included mandatory funding for one ongoing Major Construction project and the completion of various Minor Construction projects that improve VHA facilities. This mandatory funding helps ensure appropriate and required investment in the infrastructure to prevent service delivery disruptions in the future.

Also included in VA's 2024 Budget request are 10 major medical facility leases totaling over 1.5 million square feet of space supporting cutting-edge research and a workload of over 1.7 million outpatient stops and bed days of care. These leases are key to modernizing VA's clinical points of care and increasing access for the increasing number of Veterans anticipated to access VA care because of benefit expansion offered by the PACT Act. These leases will also be the first to go through the new PACT Act committee resolution approval process.

VA has previously presented the need to fully upgrade and modernize our facilities to meet the service delivery objectives expected of modern health care delivery

infrastructure, bringing them up to the standards Veterans deserve. VA's aggressive 2024 Budget sets us on this path to modernize or replace outdated VAMCs with state-of-the-art facilities. Additionally, VA is aggressively working to pursue implementation of the goals of Executive Order 14057, which creates a broad set of challenging goals and requirements for Federal agencies to eliminate their carbon footprint and make their operations more sustainable and resilient.

Honoring Veterans' Legacies

The President's 2024 Budget includes $480 million for NCA's operations and maintenance account, an increase of $50 million (11.6%) over the 2023 Budget, to ensure Veterans and their families have access to exceptional burial and memorial benefits including expansion of existing cemeteries as well as new and replacement cemeteries. With this Budget, NCA will provide for an estimated 140,472 interments, the perpetual care of almost 4.3 million gravesites and the operations and maintenance of 158 national cemeteries and 34 other cemeterial installations in a manner befitting national shrines. This request will fund 2,331 full-time equivalents needed to meet NCA's increasing workload, while maintaining our reputation as a world-class service provider.

While every eligible Veteran may be interred at any one of VA's open national cemeteries and a significant majority of the 122 VA grant-funded Veterans cemeteries, VA realizes that proximity to a cemetery is an important consideration in whether Veterans and family members choose a VA-funded cemetery for their final resting place. For this reason, NCA is committed to providing 95% of the Veteran population with access to first interment burial options (for casketed or cremated remains, either in-ground or in columbaria) in a national or State Veterans cemetery within 75 miles of the Veteran's place of residence. VA has made continuous, significant progress towards meeting that target. In 2024, 93.9% of the Veteran population will be served with such access. The 2024 Budget also includes $60 million for the Veterans Cemetery Grants Program to continue important partnerships with States and Tribal organizations. This grants program plays a crucial role in achieving NCA's strategic target of providing 95% of Veterans with reasonable access to a burial option.

Additionally, the 2024 Budget continues NCA's implementation of the Veterans Legacy Memorial (VLM), the Nation's first digital platform dedicated to the memory of more than 4.5 million Veterans interred in VA's national cemeteries and VA-funded state, territorial and tribal Veterans cemeteries. VLM allows family, friends and others to preserve their Veteran's legacy by posting tributes. NCA will also use grant funding requested in the 2024 Budget to provide Veterans Legacy Grants to tell the stories of Veterans interred in our national and grant-funded cemeteries, with an emphasis on those from underrepresented communities.

Conclusion

Chairman Tester, Ranking Member Moran, thank you for the opportunity to appear before you today to discuss our progress at the Department and how the President's FY 2024 and FY 2025 Advance Appropriations Request will serve the Nation's Veterans.

THE INDEPENDENT BUDGET

A Budget for Veterans by Veterans

www.independentbudget.org

JOINT STATEMENT OF

THE CO-AUTHORS OF THE INDEPENDENT BUDGET:
DISABLED AMERICAN VETERANS
PARALYZED VETERANS OF AMERICA
VETERANS OF FOREIGN WARS

BEFORE
THE SENATE COMMITTEE ON VETERANS' AFFAIRS

ON

THE PRESIDENT'S FISCAL YEAR 2024 BUDGET AND 2025 ADVANCE APPROPRIATIONS REQUESTS FOR THE DEPARTMENT OF VETERANS AFFAIRS

MAY 17, 2023

Chairman Tester, Ranking Member Moran, and members of the Committee, the co-authors of The Independent Budget (IB)—DAV (Disabled American Veterans), Paralyzed Veterans of America (PVA), and Veterans of Foreign Wars (VFW)—are pleased to present our views regarding the President's funding request for the Department of Veterans Affairs (VA) for Fiscal Year (FY) 2024, including advance appropriations for FY 2025.

Earlier this year, on February 13, the Independent Budget Veterans Service Organizations (IBVSOs) released comprehensive recommendations for VA's FY 2024 and FY 2025 advance appropriations. The Independent Budget Veterans' Agenda for the 118th Congress: Budget for FY 2024-2025 and Critical Issues, a copy of which is attached to this testimony, includes our detailed estimates of the level of funding required to meet the full veteran demand for VA services, benefits, and programs, as well as critical issues for the 118th Congress. In today's testimony, we will discuss why Congress should provide the department full funding per the IB's recommendations or VA's budget proposal.

The recent House-passed bill, H.R. 2811, the Limit, Save, Grow Act of 2023, ties future government spending with debt ceiling reform and could reduce spending on veterans' programs. House majority leaders have stated veterans programs would be "protected" regardless of the plan, but these assurances are subjective and the IBVSOs remain on guard and are ready to oppose any reductions to veterans programs. The plan would also rescind unused Covid-19 funding, which VA estimated to be about $2 billion. These resources were factored into VA's FY 2024 budget proposal as a carryover and would result in a shortfall if the bill was enacted. Additionally, we urge Congress to remember that veterans with significant disabilities depend upon many other federal services and supports outside of the VA that protect their disability civil rights, employment support, affordable accessible housing, as well as provide benefits that help their families and caregivers. Our responsibility as a nation is to ensure that those who have already sacrificed so much for our way of life are not forced to do so again.

Rather than retreating against notable progress, our goal is to support and build upon significant advancements in veterans care and benefits that have occurred in recent years. Reducing VA funding levels could jeopardize VA's ability to implement many of the life-saving benefits Congress has recently passed. With the support of allies in Congress and multiple presidential administrations, veterans advocates around the country have successfully helped identify and solve problems that have plagued VA for years. By addressing the harm from military toxic exposure, reducing claims backlogs, curtailing VA hiring delays, and reducing unacceptable appointment wait times, significant progress has been made in strengthening the VA system. However, these advancements would be eroded if they are not resourced properly.

For example, reducing the VA budget to FY 2022 funding levels would have an immediate, negative effect on the delivery of care and benefits across the entire VA enterprise. According to VA, in the Veterans Health Administration (VHA), it could result in up to 38,000 doctors and nurses being laid off. The Veterans Benefits Administration (VBA) may have to cut nearly 1,200 staff dedicated to processing veteran claims and the Board of Veterans' Appeals (BVA) would likely need to eliminate 175 positions, which could result in approximately 25,000 fewer appeals heard annually. The reduced funding levels for VHA, VBA, and BVA alone would set our collective hard work back a decade and force veterans once again to fight for the care and benefits they have earned. Policy proposals to roll back existing care and benefits to reduce federal costs would cause even further harm.

Reducing VA funding levels coupled with policy proposals that shrink benefits for veterans, simply to save money on the backs of veterans is intolerable. The veterans, families, and caregivers we represent have seen the true cost of war, and it is unacceptable to ask them to pay the bill. We respectfully ask that this Committee ensure any degradation of services offered through VA is stopped in its tracks and that you will continue to honor the promise made to the men and women who served our country by continuing your long-standing bipartisan support of those who have borne the battle. Reducing VA funding levels would affect millions of ill and injured veterans across the country and we look forward to working with you to make sure this does not happen.

That said, the IBVSOs are encouraged by the Administration's recent proposed FY 2024 budget for the VA and believe much of it accurately reflects the rising need for health care and benefits by those who served, their families, caregivers, and survivors. We know this Committee will

carefully examine all areas of the Administration's proposal and hope you will use the IB proposals as it prepares its own recommendations. While the President put forth a strong budget, a few areas where we feel the Administration missed the mark are VA medical research, health care infrastructure, and funding for the BVA.

VA's Medical and Prosthetic Research program generates discoveries that significantly contribute to improving the health of veterans and all Americans. The Administration requested $938 million in FY 2024 compared to the $980 million recommended by the IB. Our recommendation covers the cost of inflation and increased investments to address COVID-19, veterans' health disparities, clinical trial access, and veterans' mental health needs. It also allows continued support for groundbreaking programs, like the Million Veteran Program, and VA's participation in the Cancer Moonshot initiative featuring oncology treatment improvements for the nation's veterans. The value of cutting-edge research has never been demonstrated more clearly than over the past three years, and as a national leader, VA must continue to aggressively grow this program.

Meanwhile, the VA health care system has faced significant challenges and undergone historic reforms in recent years to improve veterans' access to timely and high-quality health care. While VA has received increased funding levels to support the veterans' health care system and an increasing number of veterans are seeking VA care, the lack of resources for facilities management and modernization, sufficient health personnel to meet the demand for care and benefits continue to negatively impact accessibility. VA's aging infrastructure not only causes many veterans to wait too long and travel too far for care but also potentially endangers the health and lives of veteran patients and VA personnel.

As the Administration noted in its press release announcing its proposed FY 2024 VA budget, the median age of a VA hospital is nearly 60 years compared to just 13 years in the private sector. The $3 billion figure the Administration proposed for major construction falls well short of the $5.1 billion the IBVSOs believe is necessary just to keep up with the department's most pressing construction needs. We urge Congress to correct this deficiency by providing adequate annual appropriations for VA construction and consider additional supplemental appropriations as necessary to ensure VA's facilities remain safe.

Finally, for FY 2024, the IBVSOs recommend approximately $325 million for the BVA, an increase of roughly $40 million over the FY 2023 appropriations level, which we believe accurately reflects current services with increases for inflation and federal pay raises, as well as needed staffing increases to address the hearings backlog and additional Honoring our PACT Act (P.L. 117-168)-related work. We believe the Administration's projected figure of $291 million from all sources is insufficient and would prevent the Board from achieving its planned outcomes for the coming fiscal year.

Thank you for the opportunity to share our views on the Administration's budget request for VA. We firmly believe that Congress should substantially increase—not decrease—VA's funding for FY 2024, or veterans will be forced to wait longer for care, whether they seek it at VA or in the community, leaving unfulfilled the promises made to them.

THE INDEPENDENT BUDGET

Veterans Agenda for the 118th Congress

BUDGET FOR FY 2024–2025 / CRITICAL ISSUES


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THE INDEPENDENT BUDGET

Veterans Agenda for the 118th Congress

A Comprehensive
Budget & Policy Document Created
by Veterans for Veterans

DAV PVA VFW

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Acknowledgments

For nearly 40 years, The Independent Budget veterans service organizations (IBVSOs)—DAV (Disabled American Veterans), Paralyzed Veterans of America (PVA), and the Veterans of Foreign Wars of the United States (VFW)—have worked to develop and present concrete recommendations to ensure the Department of Veterans Affairs remains fully funded and capable of carrying out its mission to serve veterans and their families, both now and in the future. Throughout the year, the IBVSOs work together to promote their shared recommendations, while each organization also works independently to identify and address legislative and policy issues that affect the organizations' members and the broader veterans' community.

DAV (Disabled American Veterans)

DAV (Disabled American Veterans) empowers veterans to lead high-quality lives with respect and dignity. It is dedicated to a single purpose: keeping our promises to America's veterans. DAV does this by ensuring that veterans and their families can access the full range of benefits available to them; fighting for the interests of America's injured heroes on Capitol Hill; linking veterans and their families to employment resources; and educating the public about the great sacrifices and needs of veterans transitioning back to civilian life. DAV, a non-profit organization with more than one million members, was founded in 1920 and chartered by the U. S. Congress in 1932. Learn more at DAV.org.

Paralyzed Veterans of America (PVA)

Paralyzed Veterans of America is a 501(c)(3) non-profit and the only congressionally chartered veterans service organization dedicated solely for the benefit and representation of veterans with spinal cord injury or diseases. The organization ensures veterans receive the benefits earned through service to our nation; monitors their care in VA spinal cord injury units; and funds research and education in the search for a cure and improved care for individuals with paralysis.

As a life-long partner and advocate for veterans and all people with disabilities, PVA also develops training and career services, works to ensure accessibility in public buildings and spaces, and provides health and rehabilitation opportunities through sports and recreation. With more than 70 offices and 33 chapters, Paralyzed Veterans of America serves veterans, their families, and their caregivers in all 50 states, the District of Columbia, and Puerto Rico. Learn more at PVA.org.

Veterans of Foreign Wars of The United States (VFW)

The Veterans of Foreign Wars of the U.S. (VFW) is the nation's largest and oldest major war veterans' organization. Founded in 1899, the congressionally-chartered VFW is comprised entirely of eligible veterans and military service members from the active, Guard and Reserve forces. With more than 1.5 million VFW and Auxiliary members located in nearly 6,000 Posts worldwide, the nonprofit veterans' service organization is proud to proclaim "NO ONE DOES MORE FOR VETERANS" than the VFW, which is dedicated to veterans' service, legislative advocacy, and military and community service programs. For more information or to join, visit our website at VFW.org.

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Introduction

The Independent Budget (IB) provides an impartial estimate of the funding the Department of Veterans Affairs (VA) will require to fully and timely deliver all authorized programs, services, and benefits to America's veterans. The recommendations also include funding estimates for new and expanded programs, benefits, and services that the IB veterans service organizations (IBVSOs)—comprised of DAV (Disabled American Veterans), Paralyzed Veterans of America (PVA), and the Veterans of Foreign Wars of the United States (VFW)—believe are critical to the health and well-being of those who served, their families, and survivors.

After almost three years of the pandemic, it appears that COVID may be nearing its endemic stage, and one result could be greater predictability of VA's funding needs. While COVID's impact on acute and chronic health conditions must continue to be addressed, the IBVSOs anticipate less demand for new emergency funding, a change from VA's volatile budgets over the past three years. However, there are still long-term health impacts and the threat of new and more potent COVID mutations that require continued VA investment in prevention, preparation, and mitigation strategies. VA must remain on the leading edge of medical research to benefit veterans and all Americans, not just from risks caused by COVID, but also to stay ahead of other potential health emergencies. As identified in the IBVSOs' critical issues for the 118th Congress, VA health care staffing recruitment and retention must also remain a top priority.

Adding further uncertainty to estimating VA's budgetary requirements is the continuing period of economic instability, particularly regarding growth, inflation, and unemployment. These economic factors could significantly affect the number of veterans who apply for and utilize VA benefits, health care, and other services. The IBVSOs identified the need to ensure successful military to civilian transition as a critical issue for the 118th Congress.

In 2022, Congress passed the historic Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act) (Public Law 117-168), which expanded VA health care and benefits to potentially millions of veterans. The IBVSOs have identified PACT Act implementation as a critical issue for the 118th Congress. While it is too soon to assess how many veterans will apply under the PACT Act and what the resource requirements will be in the next few years, VA and Congress must monitor enrollment and application trends closely and make any necessary adjustments to funding before and during fiscal year (FY) 2024.

The breakdown of the Asset and Infrastructure Review (AIR) Commission last year does not end Congress's responsibility to expand and sustain adequate VA health care infrastructure. While VA's AIR recommendations contained outdated or inaccurate data in many locations, they did identify hundreds of medical facilities that need to be repaired, rehabilitated, expanded, and constructed to meet veterans' needs. For the 118th Congress, the IBVSOs identified infrastructure as a critical issue important to ensuring VA remains the primary provider of care for veterans. Congress must now adequately fund infrastructure modernization efforts.

Once again, Congress and the Administration failed to enact VA's annual appropriations on time, adding uncertainty and inefficiency to VA's operations and budgeting. In addition, the new Toxic Exposure Fund, created by the PACT Act, will significantly impact VA's budget and appropriations process. As identified in the IBVSOs' critical issues for the 118th Congress, the aging veterans population also increases the need to improve access to VA-provided long-term services and supports. With so much uncertainty, the Administration and Congress must work together – with VSO stakeholders – to ensure those who served have timely access to the benefits and health care they earned.

IB Recommendations for FY 2024 and FY 2025 Advance (in thousands)

Veterans Health Administration (VHA)	FY 2023 Appropriation FINAL	FY 2024 Adv Approp VA FINAL	FY 2024 Appropriation IB Recomnd.	FY 2025 Adv. Approp IB Recomnd.
Medical Services	70,584,000	74,004,000	88,058,000	102,279,000
Medical Support and Compliance	11,073,000	12,300,000	11,469,000	11,888,000
Medical Facilities	8,634,000	8,800,000	8,953,000	9,270,000
Medical Care Collections (VA Medical Care)	*3,128,000*	*3,174,000*	***Note 1***	***Note 1***
Subtotal, VA Medical Care	**93,419,000**	**98,278,000**	**108,480,000**	**123,437,000**
Medical Community Care	28,457,000	33,000,000	31,398,000	33,799,000
Medical Care Collections (Community Care)	*782,000*	*794,000*	***Note 1***	***Note 1***
Subtotal, Medical Community Care	**29,239,000**	**33,794,000**	**31,398,000**	**33,799,000**
Total, Medical Care	**122,658,000**	**132,070,000**	**139,878,000**	**157,236,000**
Medical and Prosthetic Research	916,000		980,000	
Total, Veterans Health Administration	**123,574,000**		**140,858,000**	
General Operating Expenses				
Veterans Benefits Administration	3,683,000		4,091,000	
General Administration	433,000		461,000	
Board of Veterans Appeals	285,000		325,000	
Total, General Operating Expenses	**4,401,000**		**4,877,000**	
Department Admin and Misc. Programs				
Information Technology	5,782,000		6,335,000	
EHRM (Cerner)	1,759,000		1,759,000	
National Cemetery Administration	430,000		573,000	
Office of Inspector General	273,000		284,000	
Total, Dept. Admin and Misc. Programs	**8,244,000**		**8,952,000**	
Construction Programs				
Major Construction	1,447,890		5,125,000	
Minor Construction	626,110		1,050,000	
Grants for State Extended Care Facilities	150,000		600,000	
Grants for State Vets Cemeteries	50,000		110,000	
Total, Construction Programs	**2,274,000**		**6,885,000**	
Other Discretionary Programs	284,214		296,000	
Cost of War Toxic Exposure Fund (TEF)	*5,000,000*		***Note 2***	
Total, Budget Authority	**143,777,214**		**161,572,000**	

Note 1 – The IB estimates the total need for health care appropriations and does not include MCCF estimates.

Note 2 – The IB estimates the total need for health care appropriations and does not include TEF estimates.

Veterans Health Administration

Total Medical Care

FY 2024 IB Recommendation	**$139.9 Billion**

FY 2024 Advance Appropriation Enacted	$128.1 Billion
FY 2024 Estimated Medical Care Collections	$4.0 Billion
Total, FY 2024 Advance Appropriation Enacted	**$132.1 Billion**

FY 2023 Appropriation Enacted	$118.7 Billion
FY 2023 Estimated Medical Care Collections	$3.9 Billion
Total, FY 2023 Appropriation Enacted	**$122.6 Billion**

FY 2025 IB Advance Appropriation Recommendation	**$157.2 Billion**

Over the past three years, VA has received significant additional funding, primarily to prepare for and address the effects of the COVID pandemic. However, given the long-term funding mismatch between the demand for VA medical care by veterans and the resources provided by successive Administrations and Congresses, the infusion of new appropriations has allowed VA to begin narrowing this gap.

The Independent Budget veterans service organizations (IBVSOs) recommend approximately $139.9 billion in total medical care funding and roughly $157.2 billion for fiscal year (FY) 2025 advance appropriations.

The FY 2024 recommendation primarily reflects the increased funding baseline for all Medical Care programs established over the past two years, continuing enrollment increases, higher inflation, a federal pay raise, and rising workloads. In particular, the PACT Act has expanded health care eligibility, leading to expected increases in enrollment, utilization, and reliance. The IBVSOs also make several recommendations to begin new or expand existing health care initiatives, which are detailed below. The FY 2025 advance appropriation recommendation would sustain and build upon the IBVSOs' FY 2024 funding and policy recommendations, including continued enrollment increases due to the PACT Act.

NOTE: *The Independent Budget (IB) does not include projected receipts from the Medical Care Collections Fund (MCCF) in its budget recommendations, since MCCF funds are used to replace new appropriations. Instead, the IBVSOs' recommendations present estimates of VA's total need for medical care funding, regardless of source. If the total MCCF funds received by VA are less than what was previously assumed, Congress must approve, supplemental appropriations to ensure full Medical Care funding for each year.*

Toxic Exposure Fund

The IBVSOs offer a note of caution about the new Toxic Exposure Fund (TEF) and how it will affect the budget and appropriations process for all VA funding. By law, new funding required due to PACT Act changes must be mandatory appropriations through TEF rather than discretionary funding. This change was intended, at least in part, to reduce total VA discretionary funding required in future budget cap deals.

Medical Services

FY 2024 IB Recommendation	**$88.1 Billion**

FY 2024 Advance Appropriation Enacted	$74.0 Billion
FY 2024 Estimated Medical Care Collections	$3.2 Billion
Total, FY 2024 Advance Appropriation Enacted	**$77.2 Billion**

FY 2023 Appropriation Enacted	$70.6 Billion
FY 2023 Estimated Medical Care Collections	$3.1 Billion
Total, FY 2023 Appropriation Enacted	**$73.7 Billion**

FY 2025 IB Advance Appropriation Recommendation	**$102.3 Billion**

NOTE: *The IB budget recommendations do not include TEF funding requirements but instead provide the total need for new health care appropriations.*

A similar Administration proposal last year to create a new budget category – "VA health care," alongside "defense" and "nondefense" discretionary funding, was intended to address this concern that rising VA health care funding was limiting increases for other nondefense discretionary spending priorities.

While the IBVSOs neither supported nor opposed the creation of the TEF, we are concerned about possible unintended consequences. Prior to enactment of the PACT Act, the Congressional Budget Office (CBO) had cautioned that in the future, expansions of any discretionary VA programs or services could impact the funding for the mandatory TEF and thereby require PAYGO offsets. In addition, VA must now segregate all PACT Act-related costs, potentially complicating accounting and record-keeping for all its programs. Congress must closely monitor VA's implementation of the TEF to ensure these and other potential changes resulting from its implementation do not negatively affect VA's ability to deliver benefits and services to veterans.

Appropriations for FY 2024

For FY 2024, the IBVSOs recommend approximately $88 billion for Medical Services. This estimate reflects increases based on uncontrollable inflation and a projected 4.6 percent federal pay raise for all VA employees in FY 2024. As discussed above, the IBVSOs also estimate a 4 percent increase in VA health care utilization due to the PACT Act and increased sickness and morbidity from COVID.

New Users ($3.5 billion)

The IBVSOs estimate a growth in patient workload based on a projected increase of approximately 174,000 new unique patients, which includes an increase of around 168,000 new priority groups 1-6 veterans, a decrease of 13,000 priority groups 7 and 8 veterans, and an increase of 19,000 nonveterans. This larger-than-usual increase is based on a conservative projection of how many veterans will enroll in VA health care as a result of the PACT Act. The IBVSOs estimate the total cost of new unique users in FY 2024 to be approximately $3.5 billion.

Filling Health Care Vacancies ($2.8 billion)

Healthcare systems across the nation are experiencing an unprecedented shortage of medical personnel. The Veterans Health Administration's (VHA) fourth-quarter staffing report for FY 2022 indicated it had 76,877 openings across the department—double the number of vacancies from the same time one year before.

The persistent lack of adequate health care staffing has been a major driver of longer wait times for veterans seeking VA care. It often suppresses the true level of veterans' demand for care because it forces many veterans who prefer to receive their care from VA providers into the community.

While the exact number of medical personnel the VHA needs is unknown, at a Senate field hearing last October, VA Secretary McDonough stated the department must hire 45,000 nurses over the next three years to keep up with attrition and growing demand for veteran care. The VHA must maximize the use of the hiring practices and pay incentives that Congress approved last year to achieve that goal, the latter having the greatest potential budgetary impact.

For FY 2024, the IBVSOs recommend the VHA pursue an aggressive hiring strategy and seek to fill at least 25 percent of pending clinical care and support vacancies, which would be approximately 19,200 full-time employees (FTE) at a cost of about $2.8 billion.

See IB Critical Issue #1 on page 25 for more about vacancies and staffing shortages

Dental Care for all Veterans ($500 million)

VA reported that out of the 9.2 million veterans enrolled in VA health care, only about 1.4 million are eligible for comprehensive dental care. However, in 2020, VA dental services provided care to only 402,000 eligible veterans and an additional 61,000 due to medical necessity. The IBVSOs support efforts to expand dental care to all enrolled veterans and recommend that $500 million be included in the FY 2024 budget to begin that expansion.

Mental Health and Suicide Prevention (2,438 FTE ≈ $355 Million)

VA's Office of Mental Health and Suicide Prevention provides multiple paths to access care, including outpatient, residential, and inpatient mental health services. In 2021, 30 percent of all VHA users received mental health services, and more than 520,000 veterans sought treatment for a substance-use disorder. With the passage of the PACT Act, VHA enrollment and usage will increase as eligibility increases. Therefore, the need for mental health services will also increase. VA continues to expand mental health services by using systemic therapy to include a veteran's family and treatment-resistant depression. Merit awards, competitive salaries, a hybrid work environment, and pay incentives for face- to-face positions are forward-thinking concepts for VA to accommodate the current and future veterans' mental health needs. To ensure integrated mental health care staffing, the IBVSOs recommend an increase of 2,350 new FTE for the Behavioral Health Interdisciplinary Program, which includes licensed independent providers, nonlicensed independent providers, care coordinators, and administrative support staff.

The VA's 2022 National Veteran Suicide Prevention Annual Report noted a decrease in veteran suicide by 343 between 2019 and 2020. Over the past 18 months, the Office of Suicide Prevention evaluated the Veteran Crisis Line (VCL) service needs, which led to an adjustment in the staffing model and organization chart. To fully implement these modifications, VCL should go from 900 FTEs to 2500 FTEs over the next several years.

For FY 2024, the IBVSOs recommend additional funding be provided to support an increase of approximately 880 new FTEs to fully support the expanded 988 VCL program.

See IB Critical Issue #2 on page 29 to learn more about the growing number of aging veterans and the need for both institutional and noninstitutional care

Long-Term Care ($1 billion)

Aging and disabled veterans need a comprehensive range of home-based supports and services to remain safely in their homes. VA provides home and community-based care services (HCBS)—also referred to as noninstitutional care–through programs like Veteran-Directed Care (VDC), home-based primary care, adult day health care, respite care, medical foster homes, and homemaker and health-aid services. Most aging veterans prefer to receive care through these types of home-based programs. VA needs additional funds to provide veterans with adequate personal care services and an enhanced number of hours of care. Unfortunately, funding for HCBS has not kept pace with the demand for these essential services, or inflation. VA also needs additional funding to provide more respite hours for caregivers. This investment would assist in delaying nursing home placements for veterans who prefer to remain at home for as long as possible. Increased funding will also help to support more home health aide hours and more days of adult day health care services, above the current average of seven hours allowed per week.

Additional funding is also needed to expand assisted living centers for veterans living with traumatic brain injury and other disabilities that require an intermediary level of care. The IBVSOs support increased funding for additional memory care units (to include patients with Alzheimer's, severe dementia, and behavioral conditions) within Community Living Centers and State Veterans Homes, as well as specialty VA Spinal Cord Injury and Disorder long-term care beds. These patients require intensive support and can be difficult to place.

Veteran-Directed Care ($120 Million)

VA's VDC program is an affordable alternative to institutional care. Unfortunately, despite the popularity of this program, it is not currently available at every VA Medical Center (VAMC), often because there is no dedicated funding for it. The VHA has proposed adding 75 new VDC programs over five years. The IBVSOs propose accelerating that rollout schedule and recommend an additional $120 million in FY 2024 that would be specific purpose funding to allow every VAMC to operate a robust VDC program.

Caregiver Program ($100 million)

On October 1, 2022, VA's Program of Comprehensive Assistance for Family Caregivers (PCAFC) rolled out phase II of the caregiver program. Based on VA's 2020 Impact Analysis, VA projected the total number of veterans for FY 2024 to be over 58,500 at an annual stipend cost of $31,826,829. On September 22, 2022, VA published an Interim Final Rule in the Federal Register announcing VA is extending the transition period and the timeline for VA to complete reassessments of the legacy cohort by an additional three years (until September 30, 2025). These two changes will have a significant financial impact on the PCAFC program. The IBVSOs recommend an increase of $100 million for FY 2024.

Women Veterans Health Care ($150 million)

The requested Medical Care budget for FY 2024 includes $767 million for gender-specific health care for women veterans. Following up on last year's IB recommendation to increase funding for women, the IBVSOs again recommend investing an additional $200 million, of which $150 million would go to Medical Services as described below.

- **$120 million for VA to continue creating and fully staffing high-quality, clinically relevant services for women veterans.** COVID-19 has made hiring and training challenging, particularly the hands-on training offered through women's health mini-residencies. While training and hiring initiatives continue, the growth in women veterans who use VA is outstripping VA's ability to hire and train providers to meet women's specialized gender-specific clinical needs.

- **$10 million to support strategic planning for meeting women veterans' health care needs.** While women are the fastest-growing subpopulation in the VA (+32 percent by 2030), there is no strategic plan to ensure all service lines in the VHA are focused on adjusting programs to meet women veterans' unique clinical and supportive services needs. The VHA must develop plans for women veterans' health programming that respond to changes in health care delivery made since the ongoing COVID-19 pandemic and evaluates other program offices to ensure appropriate services are available to meet the unique needs of the women veterans it serves.

- **$10 million to increase the number and quality of peer support specialists, care navigators, and doulas to assist women veterans.** Peer support specialists have been very useful in helping veterans with mental health challenges, including those dealing with the aftermath of military sexual trauma, post-traumatic stress disorder, and substance-use disorders. Similarly, care navigators and doulas can assist women veterans with highly complex medical conditions, such as cancer, amyotrophic lateral sclerosis (ALS), multiple sclerosis (MS), post-partum maternal care, and chronic pain management.

- **$10 million to create and maintain a dedicated consultative team to assist with managing the care of veterans throughout the maternity cycle.** These funds would support VA's efforts to provide women veterans with access to comprehensive wrap-around services, including help with housing, employment, food insecurity, interpersonal violence, and mental health and prosthetic support. Reproductive mental health issues are prevalent for many service-disabled women veterans and require specialized clinical support. VA is wholly dependent upon its community care network providers to provide quality care and data on outcomes of maternity care. Still, specialized program managers can monitor and influence better results by enhancing services for women and improving coordination and communication between these programs.

Minority Veterans ($10 million)

The IBVSOs recommend $10 million be added to the VHA budget to continue training on diversity and inclusion for all medical staff and ensure adequate resources for minority veteran coordinator assignments and peer support specialists. Additional funding is also needed to support efforts for the PACT Act expansion that includes minority and underserved veterans. All veterans should receive health care tailored to their individual needs.

Homeless Programs ($375 million)

Homelessness among veterans saw a slight increase in 2020 (37,252 in 2020, up from 37,058 in 2019). The pandemic saw a decrease in the number of sheltered veterans in 2021 (19,750 in 2021, down from 22,048 in 2020). Because of the pandemic, the number of unsheltered veterans was not counted in 2021. For FY 2024, the IBVSOs recommend a continued emphasis on the Supportive Services for Veterans Families (SSVF) program, which has been able to provide homelessness prevention and rapid rehousing assistance to veterans through shallow subsidies in every state across the nation. Additional funding is required to accommodate the nationwide expansion of this program (from 11 service sites in 2019), and the increase in rental subsidies for up to 50 percent of "reasonable" rents, which has aided in program flexibility and usability. The IBVSOs recommend adding funding for the Grant and Per Diem (GPD) program by earmarking $10 million to assist growing populations of elderly and women veterans. The IBVSOs also request additional funds for the Health Care for Homeless Veterans (HCHV) Program, which will soon accommodate veterans with other-than-honorable discharges. The IBVSOs recommend an increase of $375 million for homeless programs, targeting $250 million for SSVF, $100 million GPD (including $10 million targeting women and elderly veterans), and $25 million for HCHV.

Emergency Care

The IBVSOs continue to note that VA must begin fully implementing the *Wolfe v. Wilkie* court ruling, which will require significant additional funding to meet the costs for previously provided non-VA emergency care. The IBVSOs support legislation that would mandate VA begin processing and reimbursing veterans for emergency care and, if enacted, would require significant new appropriations in FY 2024

Advance Appropriations for FY 2025

For FY 2025, the IBVSOs recommend approximately $102.3 billion for Medical Services, which reflects estimated uncontrollable inflation and federal pay raises. The new workload is based on projections of roughly 193,000 new priority groups 1-6 veterans, 8,000 fewer priority groups 7 and 8 veterans, and an increase of 19,000 nonveterans. The IBVSOs estimate the cost of these new unique users to be approximately $4.2 billion. The IBVSOs recommendation also includes the continuation of several crucial medical program initiatives to eliminate VHA vacancies, expand long- term care options, and expand dental health care to all veterans.

Medical Support and Compliance

FY 2024 IB Recommendation	$11.5 billion
FY 2024 Advance Appropriation Enacted	$12.3 billion
FY 2023 Appropriation Enacted	$11.1 billion
FY 2025 IB Advance Appropriation Recommendation	**$11.9 billion**

For Medical Support and Compliance, the IBVSOs recommend $11.5 billion for FY 2024. The IBVSOs projected increase primarily reflects growth in current services based on the impact of inflation and a federal pay raise on the FY 2023 appropriated level. Additionally, for FY 2025, the IBVSOs recommend $11.9 billion for Medical Support and Compliance, which primarily reflects an increase in current services from the FY 2024 advance appropriations level.

Medical Facilities

FY 2024 IB Recommendation	$9.0 billion
FY 2024 Advance Appropriation Enacted	$8.8 billion
FY 2023 Appropriation Enacted	$8.6 billion
FY 2025 IB Advance Appropriation Recommendation	**$9.3 billion**

For Medical Facilities, the IBVSOs recommend $9.0 billion for FY 2024 and $9.3 billion for FY 2025, which includes funding for NonRecurring Maintenance (NRM) and leases. VA uses leases to address access needs and space deficiencies to quickly respond to health care advances and changing technology when a lease is better aligned with the department's overall capital strategy.

The NRM program is VA's primary means of addressing its most pressing infrastructure needs as identified by Facility Condition Assessments, which is an alternative method to address construction needs. These assessments are performed at each facility every three years and highlight a building's most pressing and mission-critical repair and maintenance needs.

VA needs to prioritize NRM involving critical deficiencies that directly affect patient safety daily, such as the need for heating and cooling systems repairs or generator upgrades, which may not immediately stand out as critical. Failures of these systems, however, could lead to safety issues. Additionally, deferring regular maintenance issues and upgrades can exacerbate problems that necessitate more costly future remedies.

Women Veterans Health Care Modifications ($10 million)

The IBVSOs recommend an additional $10 million for nonrecurring maintenance to continue addressing deficiencies in VA health care facilities to ensure women veterans' privacy, dignity, and security. These funds will also provide for items like furniture, curtains, kiosks, and supplies to redress deficiencies and create welcoming spaces.


AIR FORCE

Medical Community Care

FY 2024 IB Recommendation	**$31.4 Billion**

FY 2024 Advance Appropriation Enacted	$33.0 Billion
FY 2024 Estimated Medical Care Collections	*$0.8 Billion*
Total, FY 2024 Advance Appropriation Enacted	**$33.8 Billion**

FY 2023 Appropriation Enacted	$28.4 Billion
FY 2023 Estimated Medical Care Collections	*$0.8 Billion*
Total, FY 2023 Appropriation Enacted	**$29.2 Billion**

FY 2025 IB Advance Appropriation Recommendation	**$33.8 Billion**

VA Medical Community Care has grown significantly over the past couple of years due to the implementation of the VA MISSION Act (Public Law 115-182) and the impact of the COVID pandemic. While the IBVSOs anticipate continued increases in veterans' use of community care options, the increased funding during the past couple of years to expand VA's internal capacity to provide care, particularly increased clinical staffing, should mitigate some of this growth as more veterans return to VA for their care. The IBVSOs believe Congress must make significant new investments in VA's health care infrastructure as recommended by VA's AIR recommendations, which should continue this trend of slowing the growth of community care as VA is able to better meet veterans demand for care in its own facilities.

For Medical Community Care, the IBVSOs recommend $31.4 billion for FY 2024, which primarily reflects the growth in current services as impacted by rising medical inflation. For FY 2025, the IBVSOs recommend $33.8 billion for Medical Community Care based on the increased cost of current services and continued increases in utilization.

Medical and Prosthetic Research

FY 2024 IB Recommendation	$980 million
FY 2024 Admin. Budget Request	$-- million
FY 2023 Appropriation Enacted	$916 million

VA's Medical and Prosthetic Research program generates discoveries that significantly contribute to improving the health of veterans and all Americans. The research program also supports VA's recruitment and retention of health care professionals and clinician scientists. For FY 2024, the IBVSOs recommend a total of $980 million for VA research, which would cover the cost of inflation and increase investments to address COVID-19, veterans' health disparities, clinical trial access, and veterans' mental health needs. It would also renew support for groundbreaking programs, like the Million Veteran Program, and VA's participation in the Cancer Moonshot initiative featuring oncology for the nation's veterans. The value of cutting-edge research has never been demonstrated more clearly than over the past three years, and as a national leader, VA must continue to aggressively grow this program.

To retain and attract well-qualified scientists to assure a high-quality research program, VA must also have access to state-of-the art technology, which includes the ability to collect, store and manipulate large databases like the one being created for the Million Veteran Program. It must also have safe and hygienic laboratories and administrative facilities. Investing in the development of enterprise-wide business functions will also ultimately assure cost-effective and efficacious processes that allow VA to more successfully participate in large scale efforts, such as nationwide clinical trials, across multiple sites. ◆

General Operating Expenses

Veterans Benefits Administration

FY 2024 IB Recommendation	$4.1 billion
FY 2024 Admin. Budget Request	$-- billion
FY 2023 Appropriation Enacted	$3.7 billion

The Veterans Benefits Administration (VBA) account is comprised of seven primary service lines: 1) Compensation; 2) Pension and Fiduciary; 3) Insurance; 4) Education; 5) Home Loan Guaranty; 6) Veteran Readiness and Employment; and 7) Transition and Economic Development. For fiscal year (FY) 2024, The Independent Budget veterans service organizations (IBVSOs) recommend approximately $4.1 billion for all the VBA's operations - an increase of roughly $406 million over the enacted FY 2023 appropriations level, which primarily reflects increases for inflation and federal pay raises, as well as projected increases in workload from the PACT Act.

In 2021, the COVID-19 pandemic impacted disability compensation claims processing with a backlog of over 260,000 claims. The Department of Veterans Affairs (VA) announced three presumptive diseases related to burn pits in August 2021 and nine additional presumptive diseases in 2022, exponentially increasing the number of new claims. In FY 2022, the VBA completed over 1.7 million rating decisions. This increase in claims was supported through the American Rescue Plan (Public Law 117-2), which provided VA with $100 million for mandatory overtime. This, along with the budget providing $33 million, enabled the VBA to use $133 million solely on overtime, which was in part responsible for the completion of a record number of decisions.

The PACT Act includes over 20 presumptive diseases due to burn pit exposure, adds two diseases presumptive to Agent Orange exposure, and concedes six new countries for Agent Orange exposure. Within 90 days, VA received over 130,000 PACT Act-related claims. At the beginning of FY 2023, the VBA had over 600,000 pending claims with 125,000 considered backlogged. VA estimates they will receive over a million claims in FY 2023.

See IB Critical Issue #3 on page 33, which stresses the importance of Congress monitoring the implementation of the PACT Act and ensuring VA has the resources in place to do so effectively

The PACT Act provides funding for roughly 7,000 additional full-time employees (FTE) for the VBA. However, this does not include funding for mandatory overtime. While the VBA completed over a million claims, they are estimated to receive more than a million. If the VBA does not have ample funding for overtime, the backlog will grow beyond its current levels.

Claims Backlog ($100 million)

The IBVSOs recommend an additional $100 million for overtime in FY 2024. This will assist in addressing the increase in claims due to the PACT Act, the existing pending claims, and drive down the backlog. The VBA will not be able to produce as many claims decisions as in FY 2022 without an increase in mandatory overtime funding. If it is not provided and the VBA receives the estimated one million claims, the backlog will grow at a staggering rate. At the same time, veterans and their families will continue to wait for their earned benefits.

VA Call Centers ($50 million)

The IBVSOs recommend $50 million for an additional 400 FTE. Currently, there are approximately 1,600 call center employees with 112 dedicated to VA's Solid Start program. As noted, the VBA has over 600,000 claims pending and is expecting a million new claims in FY 2024. It is estimated that one claim generates eight separate contacts to the call centers. This means that VA could expect over eight million calls, which would significantly strain the existing FTE.

VBA Automation, Scanning, and IT Needs ($60 million)

The IBVSOs recognize that increasing overtime funding and additional FTE alone will not reduce the backlog. The IBVSOs recommend $60 million to enable the VBA to keep pace with Veterans Benefits Management System upgrades, create more digital tools, scan and

digitize records, and increase claims automation. There must also be significant progress to address the backlog of VBA IT projects to improve current claims processing systems, as well as a generational upgrade to the VBA's overall IT claims processing infrastructure to make it more efficient and timely, particularly as the volume of claims continues to rise. These specific IT needs are addressed in the IT section.

Veteran Success on Campus Program ($6 million)

The IBVSOs recommend that the Veteran Readiness and Employment (VR&E) program hire an additional 50 Veteran Success on Campus (VSOC) counselors. VSOC counselors do not require the same level of training as traditional VR&E counselors due to other supports already available to students through their institutions of higher learning (IHL). There are currently more than 60 IHLs awaiting approval for a VSOC counselor. Many more campuses are currently being assessed to see if regional representation would be feasible to address increased need for assistance.

Technical Support for VR&E Counselors ($38 million)

The IBVSOs recommend that the VR&E program hire 300 technicians to help reduce the administrative burden faced by its counselors. While the VR&E program has succeeded in maintaining the congressionally mandated 1:125 ratio of counselors to veterans, at the local level, the program falls short. Several regional offices are experiencing caseloads that exceed the 1:125 ratio. The IBVSOs recommend creating a position that would provide technical and administrative support to current VR&E counselors to reduce the administrative burden counselors currently face and allow them more time to foster improved relationships with the veterans they serve. This position would require less experience than a VR&E or VSOC counselor.

General Administration

FY 2024 IB Recommendation	$461 million
FY 2024 Admin. Budget Request	$-- million
FY 2023 Appropriation Enacted	$433 million

VA's General Administration account is comprised of 10 primary divisions. These include: the 1) Office of the Secretary; 2) Office of the General Counsel; 3) Office of Management; 4) Office of Human Resources and Administration; 5) Office of Enterprise Integration; 6) Office of Operations, Security and Preparedness; 7) Office of Public Affairs; 8) Office of Congressional and Legislative Affairs; 9) Office of Acquisition, Logistics, and Construction; and 10) Veterans Experience Office.

For FY 2024, the IBVSOs recommend approximately $461 million, an increase of about $28 million over the FY 2023 level. This increase primarily reflects an increase in current services based on the impact of uncontrollable inflation and the anticipated federal pay raise across all of the General Administration accounts, as well as one specific initiative discussed below.

Minority and Underserved Veterans ($10 million)

The IBVSOs recommend an additional $10 million be added to the VBA budget for the Center for Minority Veterans (CMV) to continue their efforts with the Veterans Experience Office and PACT Act expansions. The additional funds would also help the CMV to expand regional outreach programs across the country to help increase awareness about VA services and benefits available to underserved minority populations. The CMV should also use the funding to reestablish the Minority Veterans Report and share news and information that is important to this population of veterans.

Board of Veterans' Appeals

FY 2024 IB Recommendation	$325 million
FY 2024 Admin. Budget Request	$ -- million
FY 2023 Appropriation Enacted	$285 million

For FY 2024, the IBVSOs recommend approximately $325 million for the Board of Veterans' Appeals (Board), an increase of roughly $40 million over the FY 2023 appropriations level, which primarily reflects current services with increases for inflation and federal pay raises, as well as staffing increases to address the hearings backlog and additional PACT related work.

The Board's mission is to conduct hearings and decide appeals properly under its jurisdiction. As of January 2022, over 200,000 appeals are pending at the Board with over 84,000 awaiting hearings. In FY 2022, the Board scheduled over 56,000 hearings, but held only a little over 30,000 hearings. Additionally, hearing requests vastly increased in FY 2022. At the beginning of FY 2023, the Board had over 74,000 hearings pending.

Reducing Appeals Backlog ($28 million)

The Appeals Modernization Act (AMA), effective in February 2019, has dramatically changed how veterans appeal decisions on claims for benefits from the VBA, the VHA, and the National Cemetery Administration. At the Board, appeals are separated between legacy appeals, those pending prior to AMA, and AMA appeals. The Board employs Veterans Law Judges (VLJs) to conduct hearings and render decisions. Each VLJ requires support from attorneys and administrative staff.

In 2021, the VA Secretary authorized the Board to increase the number of VLJs. In 2022, the Board added 20 VLJs. At the beginning of FY 2023, over 206,000 appeals were pending with 74,000 awaiting hearings, 6,600 legacy appeals, and 67,000 AMA appeals. The Board needs to be fully staffed and provided adequate resources to increase timeliness and reduce appeals backlog.

While the overall impact of the *Beaudette v. McDonough* decision has not been truly realized, the IBVSOs believe it will increase the workload. For FY 2024, the IBVSOs recommend an additional 20 VLJs and an additional 200 FTE in other positions to assist in driving down the backlog. The estimated cost for the 220 new FTE would be approximately $28 million. ◆

Department Administration and Miscellaneous Programs

Information Technology

FY 2024 IB Recommendation	$6.3 billion
FY 2024 Admin. Budget Request	$ -- billion
FY 2023 Appropriations Enacted	$5.3 billion

The Department of Veterans Affairs' (VA) Office of Information Technology provides day-to-day support and development for all of VA's IT needs, including those of the Veterans Health Administration (VHA), the Veterans Benefits Administration (VBA), and the National Cemetery Administration (NCA). VA has a separate appropriation account for Electronic Health Record Modernization (EHRM), which primarily covers the costs for VA and Oracle Cerner to make this massive generational transformation. [See below.] However, VA must continue to support its current electronic health record (EHR) system—VistA – until the conversion is complete, as well as provide adequate development and sustainment of all other VHA, VBA, and NCA programs and services.

For fiscal year (FY) 2024, the Independent Budget veterans service organizations (IBVSOs) recommend approximately $6.3 billion for the administration of VA's IT program to meet current services, to sustain VistA, to fund other critical IT programs for the VHA, the VBA, and the NCA, and to fund specific additional IT initiatives described below.

VBA IT Needs ($225 million)

The IBVSOs believe the VBA must have updated IT systems to ensure efficiency and accuracy in the processing of current and future claims to address the rising backlog. While the current backlog is largely due to operating constraints from the pandemic, the IBVSOs anticipate significant increases in claims over the next few years related to toxic exposures. VA has increased its full-time employee (FTE) levels in this area, though adding more personnel alone will not resolve the issue. It has been more than a decade since the development of the Veterans Benefits Management System (VBMS), which serves as the backbone for disability compensation claims processing. The VBA's IT systems are overdue for a significant update, which will require substantial investment and a clear action plan. A digital benefits upgrade, similar in scope to the Digital GI Bill modernization in Education Service, would require engaging with industry, reviewing contractors, implementation, testing, and an overall budget of potentially $500 million over five years. The IBVSOs recommend that the VBA immediately begin exploring system requirements and possible vendors to create a single, unified claims processing IT system that includes the latest artificial intelligence (AI) technologies. For FY 2024, the IBVSOs recommend $100 million be appropriated for the first phase of modernizing the VBA's Compensation and Pension IT systems. In addition, the IBVSOs recommend an additional $125 million to address pending VBA IT projects that have not been funded over the last several years, including many that would address the needs of accredited VSOs working in VA regional offices.

VR&E IT Upgrades ($20 million)

The IBVSOs recommend that Congress guarantee funding for a new client management system (CMS) that allows the VR&E program to support veteran participants and VR&E staff. After several failed attempts to create a successful CMS system, the current VR&E leadership is working to develop an updated platform that will allow counselors to successfully maintain their administrative requirements while easing the frustrations of veterans by removing antiquated systems that are barriers to veteran success.

The IBVSOs also recommend that Congress ensure funding is an appropriated line item to guarantee the funding for IT upgrades. Like recent Digital GI Bill appropriations, the IBVSOs request that funding be set aside for the VR&E CMS over the next several years to guarantee a functioning system and the necessary upgrades and maintenance to ensure a successful rollout.

Board IT Needs ($15 million)

The Board uses several IT platforms such as VBMS, Veterans' Appeals Control and Locator System (VACOLS), and Case Flow. However, VACOLS is the legacy program for tracking and maintaining appeals within the Board. Case Flow is currently used to manage all Board requested hearings and the pilot program for virtual hearings; thus, IT is an integral part of their daily functioning. Case Flow was created to replace VACOLS; however, as Case Flow has many functionalities yet to be implemented, both systems must be used by the Board, which greatly reduces their efficiency. VACOLS allows the Board to store data, specifically their decisions on each case. Case Flow was not designed for data storage; however, to provide similar functionality as VACOLS, it must be interfaced with VBMS to link to documents. VA has made some great innovations to allow veterans to submit Notice of Disagreements directly on VA.gov; however, it does not currently interface directly with Case Flow.

The VBA's Direct Mail system uploads documents directly into VBMS as a pdf; however, for the Board to review the mail, they must key-in to the system to access the pdf. VBA employees are not faced with this issue in the Direct Mail system. This is inefficient and the IBVSOs recommend funding to correct it. The Board has launched VA Notify to provide actual notice to veterans anytime their appeal moves to another part of the appellate process. Not only will it provide real updates to veterans, but also reduce the number of status inquiries to the Board. The IBVSOs recommend $15 million for the Board's IT development of Case Flow, or Direct Mail access, and for the Board's use of VA Notify.

New NCA IT Systems ($30 million)

The NCA currently uses an IT and management system that is decades old and inefficient. Costs and maintenance to this IT system are funded through the budget. IBVSOs recommend $30 million to develop a new and modern IT system to manage NCA operations.

Medical Research IT Needs ($22 million)

To support VA research programs more effectively, the IBVSOs recommend $22 million be added to the IT budget and designated for the research program to support the purchase and maintenance of IT infrastructure, increase data storage and access capabilities, increase data security, increase interoperability with affiliated partners, and transition to more robust and functional cloud computing platforms.

Electronic Health Record Modernization (EHRM)

FY 2024 IB Recommendation	$1.8 billion
FY 2024 Admin. Budget Request	$-- billion
FY 2023 Appropriations Enacted	$1.8 billion

The EHRM account is comprised of three major sub-accounts: 1) the Cerner Contract; 2) Infrastructure Readiness; and 3) the Project Management Office (PMO). In 2018, VA awarded Cerner Corporation a 10-year, $16 billion contract to convert VA's VistA electronic health record system to Cerner's MHS Genesis platform. However, implementation and operational problems with the Cerner system at the first couple of sites have led VA to freeze further rollouts. Last year, Oracle Corporation acquired Cerner and has begun significant management and organization changes to help get the EHR transition back on track.

For FY 2023, VA received approximately $1.8 billion for EHRM, a significant reduction from the prior year, reflecting a more cautious approach moving forward. Without additional clarity on when and how quickly VA and Oracle Cerner will resume its national rollout schedule, the IBVSOs recommend that funding for FY 2024 remain consistent with the FY 2023 funding level, understanding that any funding not used in FY 2024 should be transferred forward for use in FY 2025.

National Cemetery Administration

FY 2024 IB Recommendation	$573 million
FY 2024 Admin. Budget Request	$-- million
FY 2023 Appropriations Enacted	$430 million

The NCA manages 155 national cemeteries; provides perpetual care for 4.7 million veterans, service members, and family members in over 3.9 million gravesites; and offers all veterans burial options within 75 miles of their home. Additionally, the NCA perpetually maintains 34 soldiers' lots and monument sites. For FY 2024, the IBVSOs recommend approximately $573 million for the NCA, an increase of approximately $143 million over the FY 2023 appropriations level, which reflects current services with increases for inflation and federal pay raises, an expansion of national cemeteries, and increased funding for the National Shrine Initiative.

Cemetery Utilization and Expansion ($75 million)

In FY 2022, the NCA experienced an unexpected increase over FY 2021 in overall utilization of internments. Previous models had expected reduced usage of national cemeteries based on the overall decrease of the veteran population. Specifically, national cemeteries and state-funded cemeteries saw a total of seven percent increase in usage.

Due to ever-increasing demand for burial space, the NCA continues to expand and improve the national cemetery system, which includes a plan to open a cemetery in Nevada as well as at least two continuing activations in FY 2024. This much-needed expansion of the national cemetery system will help to facilitate the projected increase in annual veteran interments and simultaneously increase the overall number of graves being maintained by the NCA to nearly than five million by 2024. The IBVSOs recommend $75 million to address the increased utilization and to provide for new and continuing activations.

National Shrine Initiative ($50 million)

The IBVSOs strongly believe VA national cemeteries must honor the service of veterans and fully supports the NCA's National Shrine Initiative, which ensures our nation's veterans have a final resting place deserving of their sacrifice to our nation. This program ensures that all headstones are properly maintained. Currently, only 63 percent are at the correct height alignment and only 88 percent are considered clean. The IBVSOs recommend an additional $50 million in FY 2024 for the National Shrine Initiative to ensure all headstones and markers are properly maintained.

Office of the Inspector General

FY 2024 IB Recommendation	$284 million
FY 2024 Admin. Budget Request	$-- million
FY 2023 Appropriations Enacted	$273 million

The Office of Inspector General (OIG) performs audits, inspections, investigations, and reviews to improve VA programs and services' efficiency, effectiveness, and integrity. For FY 2024, the IBVSOs recommend approximately $284 million for the OIG, an increase of approximately $11 million over the FY 2023 appropriations level, which primarily reflects current services with increases for inflation and federal pay raises. ◆

Construction Programs

Major Construction

FY 2024 IB Recommendation	$5.1 billion
FY 2024 Admin. Budget Request	$-- billion
FY 2023 Appropriations Enacted	$1.4 billion

Last year, the Department of Veterans Affairs (VA) requested, and Congress appropriated increased funding for major construction projects for a total of $1.4 billion. Although these funds will allow VA to begin construction on some key projects, many previously funded sites still lack the funding for completion. Some of these projects have been on hold or in the design and development phase for years. Although the Asset and Infrastructure Review (AIR) process broke down and stalled last year due in part to concerns about assumptions and market assessments, many of VA's recommendations for expansion and construction of new health care facilities, as well as repairs and maintenance of existing ones, were widely supported and merit funding. The budget recommended by the IBVSOs provides the resources to begin making these critical infrastructure improvements in addition to funding the initiatives discussed below.

See IB Critical Issue #1 on page 27 to learn more about the role of infrastructure in ensuring access to the VA healthcare system

Seismic Corrections ($1 billion)

Another longstanding critical infrastructure problem for VA is the almost $7 billion gap in outstanding seismic corrections on VA's priority lists. These are potential life safety issues that cannot be overlooked. VA needs to ensure all seismic and life safety issues are placed at the top of the Strategic Capital Investment Plan (SCIP) list and remain at the top until they are rectified. Having seismic deficiencies on the SCIP list year after year is unacceptable and could lead to catastrophic events if left unresolved. VA must begin making these corrections as quickly as possible. The IBVSOs recommend Congress appropriate an additional $1 billion in fiscal year (FY) 2024 and each year thereafter until this backlog is eliminated.

Research Infrastructure ($100 million)

For decades, VA construction and maintenance appropriations have failed to provide the resources VA needs to replace, maintain, and upgrade its aging research facilities. A 2012 congressionally mandated report found a clear need for systematic infrastructure improvements for VA research laboratories. VA completed a Phase II assessment in 2020 of fewer than one-third of sites inspected in Phase I and provided a status update to House and Senate appropriators. Phase II findings show that while certain projects have received funding, significant deficiencies remain. It was estimated that over $200 million was needed to correct all deficiencies identified in the Phase II report, including $99.5 million in Priority 1 deficiencies, representing immediate needs such as life safety hazard corrections. The IBVSOs recommend an additional $100 million for VA research facilities to address the most pressing repairs.

Managing Infrastructure Projects (175 FTE ≈ $24.5 million)

VA Capital Infrastructure's backlog of projects continues to grow faster than VA can address them. Neither VA's Office of Construction and Facilities Management nor the individual VA facilities have the staff to oversee the amount of work necessary to decrease the backlog. Investing in the oversight and completion of these critical projects will save VA money in the long term and potentially save lives if done correctly. VA must hire additional full-time employees (FTE) to oversee infrastructure projects. Adding personnel to an office of strategic planning and increasing the personnel at individual major facilities to oversee local projects is critical to decreasing the backlog. The IBVSOs recommend an increase of 175 FTE ($24.5 million) to plan and oversee construction projects, with new personnel assigned to each of VA's major medical centers or other appropriate regional locations.

Minor Construction

FY 2024 IB Recommendation	$1.1 billion
FY 2024 Admin. Budget Request	$ -- million
FY 2023 Appropriations Enacted	$626 million

To ensure VA funding keeps pace with current and future minor construction needs, the IBVSOs recommend Congress appropriate $1.1 billion for minor construction projects. It is important to invest heavily in minor construction because these are the types of projects that can be completed faster and have a more immediate impact on services for veterans.

To improve planning, management, and oversight of minor construction projects, the IBVSOs recommend raising the current funding limits and using an annual inflation adjustment plus a location adjustment to determine the limit in each category for each year and region. This would be a simple way to keep these limits current and address the difference in construction costs between locations. Project management should be performed by personnel familiar with the scope of projects and not be moved to different personnel solely because of cost.

Women Veterans Health Care ($30 million)

VHA must develop plans for women veterans health clinics to address capital infrastructure needs. The IBVSOs recommend an additional $30 million to create comprehensive women's clinics and appropriate space and accommodations to comply with environment of care standards for women veterans. This will include projects such as creating secure and private patient consultative areas, separate entryways or waiting areas, and lactation centers.

Nonrecurring Maintenance Contracts ($190 million)

Routine assessments for safety and effectiveness are conducted at each national cemetery facility and are provided a grade from "A - F" based on deficiencies. The National Cemetery Administration (NCA) tries to address these annually, and while many are not more than $300,000, multiple deficiencies are pending. To correct the facilities with safety grades of D and F, would cost $190 million. Historically, these nonrecurring maintenance contracts are not a high priority for the budget; however, the IBVSOs feel that safety and effectiveness concerns at these facilities should be a priority and recommend $190 million.

Grants for State Extended Care Facilities

FY 2024 IB Recommendation	$600 million
FY 2024 Admin. Budget Request	$ -- million
FY 2023 Appropriations Enacted	$150 million

Grants for state extended care facilities, commonly known as state home construction grants, provide up to 65 percent of the cost of construction, rehabilitation, and repair of state veterans' homes, with the state providing at least 35 percent. In FY 2022, Congress provided an additional $500 million for this grant program as part of the American Rescue Plan (Public Law 117-2), which effectively funded all Priority List for Group 1 grant requests that had already secured their required state matching funds. With approximately $150 million in new appropriations for FY 2023, the new pending Priority Group 1 list is expected to include over $600 million for the federal share in FY 2024. Many of these projects are to build new or replacement facilities that will include critical improvements to prevent and mitigate the spread of COVID and other infectious diseases. Therefore, the IBVSOs recommend $600 million to fully fund the State Veteran Home Construction Grant program in FY 2024.

Grants for State Veterans' Cemeteries

FY 2024 IB Recommendation	$110 million
FY 2024 Admin. Budget Request	$ -- million
FY 2023 Appropriations Enacted	$50 million

The State Cemetery Grant Program allows states to expand veteran burial options by raising half the funds needed to build and begin operation of state veterans' cemeteries. The NCA provides the remaining funding for construction and operational funds, as well as cemetery design assistance. The NCA currently supports 121 grant-funded cemeteries. Before the NCA can provide a grant, the cemetery must secure legislative authority and matching appropriations from its state, territorial, or tribal government. Currently, 43 applications have met the funding and legislative requirements totaling $110 million. Ten of these are applications for new locations. By increasing the number of state and tribal cemeteries, it will assist the NCA in meeting its goal of 95 percent of veterans having a cemetery within 75 miles of their residence. This program is vital and the IBVSOs recommend $110 million.

Other Discretionary Programs

FY 2024 IB Recommendation	$296 million
FY 2024 Admin. Budget Request	$ -- million
FY 2023 Appropriations Enacted	$284 million

Other VA discretionary programs include the Veterans Housing Benefit Program Fund, the Vocational Rehabilitation Loans Program, and the Native American Veterans Housing Loan Program. For FY 2024, the IBVSOs recommend approximately $296 million for these other discretionary programs, an increase of approximately $12 million over the FY 2023 appropriations level, which primarily reflects current services with increases for inflation and federal pay raises. ◆

Critical Issues

Health Care Critical Issues

1 Ensure VA Remains the Primary Provider of Care

Vacancies and Staffing Shortages

Health care professionals and nonclinical staff are essential to ensuring the Department of Veterans Affairs (VA) remains the primary provider of care to our nation's veterans. The COVID-19 pandemic has significantly affected the healthcare system and its employees, both clinical and nonclinical. According to VA, the Veterans Health Administration (VHA) employed 371,809 individuals at the end of the fourth quarter for fiscal year (FY) 2022. They had 76,877 vacancies, trending upward from last year. If this continues, a more significant impact will occur in the next five to 15 years as the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act) (Public Law 117-168) increases the enrollment for unique veteran patients.

Identifying severe staff shortages allows for precision recruitment and retention efforts. VA's Office of Inspector General is charged with auditing critical staffing shortages in each fiscal year. In its FY 2022 report[1], across the system, the VHA identified more than 2,600 severe staffing shortages across 285 occupations. The report also found that professional staffing shortages are pervasive throughout the system. For example, 91 percent of VA facilities identified critical staffing shortages in nursing and 87 percent of VA facilities identified shortages in medical officers. Practical nurses, medical support assistants, and custodial workers were also among the most severe staffing needs. Psychologists and other mental health professionals are also in short supply.

[1] *Department of Veteran Affairs Office of Inspector General; Veterans Health Administration: OIG Determination of Veterans Health Administration's Occupational Staffing Shortages Fiscal Year 2022, July 2022.*

Recruitment

As the nation's largest integrated healthcare delivery system, the VHA workforce challenges mirror those of the broader healthcare industry. The clinical recruitment market is highly competitive; therefore, VA encounters similar challenges as the private sector. According to VA's FY 2023 Budget Submission book for Medical Programs and Information Technology Programs, VA plans to spend $3.7 billion on medical staffing. This figure projects Medical Services full-time equivalents are due to increase by 10,886 over the 2023 level. This increase accounts for Federal Employee Retirement System adjustments, wage increases, and changes in the experience of recently onboarded staff. VA offers a recruitment and retention bonus of up to 25 percent of the rate of basic pay for new hires to remain with the department. VA officials also recently stated that they must hire at least 45,000 nurses over the next three years to keep up with attrition.

If fully utilized, the pay and workforce provisions approved by Congress in Public Law 117-103 (RAISE Act) and the PACT Act will greatly improve VA's ability to recruit and retain the quality medical professionals it needs to care for veterans in the near- and long-term. Oversight of these provisions will be necessary to ensure proper utilization and make essential modifications. Still, additional action will be needed to boost pay caps for those in other provider roles, fill critical medical center director positions, and streamline the department's hiring practices.

The IBVSOs Recommend ✔

- ★ **VA ensure that HR Smart (a VA human resource database) is being used to its full capacity to better understand the true number of vacancies.**
- ★ **VA identify, and Congress approve, lifting pay caps for hard-to-fill medical positions not prescribed in the RAISE and PACT Acts.**
- ★ **Congress direct VA to implement a performance management and awards system for directors of medical centers and Veterans Integrated Services Networks (VISNs). These employees' market rate of pay would be determined on a case-by-case basis, accounting for the employee's previous experience, the complexity of the assignment, performance, the labor market for similar positions, and recruitment needs.**
- ★ **VA provide definitive salary information to prospective medical professionals before onboarding. Nurses and other medical personnel are not informed of their actual salary until after they start working. This may make VA less attractive to the medical professional weighing potential income from the department to a known figure offered by a healthcare system in the private sector.**

Retention

VA uses several tactics and programs to improve recruitment and retention. Some of these include increased maximum physician salaries; implementation of Stay in VA Touchpoints to strengthen employee engagement and retention through regularly scheduled supervisory-staff conversations; and targeted use of recruitment, relocation, and retention incentives. VA also used the Education Debt Reduction, the Health Profession Scholarship, and the Specialty Education Loan Repayment programs as incentives.

VA should continue working with Congress on ways to enhance employee wages to ensure they are competitive with the private sector, emphasizing personnel providing mission-critical work. Meanwhile, greater investment in employee well-being is needed. VA launched the Reduce Employee Burnout and Optimize Organizational Thriving (also known as REBOOT) Task Force to address professional burnout and promote fulfillment among VHA employees, but few employees seem aware of it.

Also, every credentialed medical position requires a prescribed number of continuing education hours to keep their certification current, but VA only offers modest help with licensing examinations and certifications. Expanding the level of support in this area could serve as a powerful retention incentive while ensuring a higher state of qualification and readiness of VA medical personnel.

The IBVSOs Recommend ✔

- ★ **Congress allow VA to waive limitations on pay for all VHA employees who are performing mission-critical work.**
- ★ **VA raise awareness of programs to prevent employee burnout and improve the quality of their workplace environment.**
- ★ **VA increase reimbursement of continuing education requirements for all credentialed personnel.**

Infrastructure

VA's healthcare system provides direct medical care to more than seven million veterans every year through an integrated system of over 1,750 access points, including medical centers, outpatient clinics, Vet Centers, and community living centers. VA's health care infrastructure includes more than 5,600 buildings and 34,000 acres, much of which was built more than 50 years ago. For more than two decades, funding for construction, repairs, and maintenance of VA's health care facilities has lagged behind even the most conservative estimates of the actual needs.

The recent failure of the Asset and Infrastructure Review (AIR) process highlights the longstanding challenges of adequately planning, funding, constructing, and maintaining VA's health care infrastructure. While VA's AIR recommendations documented the need for significant new investments to expand its health care footprint, it failed to accurately and transparently assess the future health care needs of veterans, including how VA and community assets can meet those needs. In addition, there remains a long list of seismic deficiencies VA has failed to address.

VA also supports aging and severely disabled veterans by operating 131 Community Living Centers and providing grants and per diem support to 157 State Veterans Homes, as well as hundreds of community nursing facilities. VA has unique challenges maintaining adequate numbers of long-term care (LTC) facilities for veterans with spinal cord injuries and disorders (SCI/D). While VA must continue to expand its noninstitutional, home-based services and support, it also needs to expand capital investments in new institutional care for the growing number of aging veterans.

Even with a comprehensive strategy and adequate infrastructure funding, VA's internal capacity to manage a growing portfolio of construction projects is constrained by the number and capability of its construction management staff. To manage a larger, more complex capital asset portfolio, VA must have sufficient personnel with appropriate expertise—both within VA Central Office and onsite throughout the VA system.

Given the high cost of constructing new facilities, coupled with the increasing integration of nonVA providers into VA community care networks, VA should consider leveraging existing health care relationships with other federal agencies, such as the Department of Defense and the Indian Health Service, and academic affiliates, as well as exploring new models of sharing arrangements with private providers in VA's community care networks.

> **"VA's healthcare system provides direct medical care to more than seven million veterans every year through an integrated system of over 1,750 access points ...**

The IBVSOs Recommend ✔

- ★ **Congress and VA work together to develop and implement a new comprehensive strategy to build, repair, and realign VA's health care infrastructure to meet current and future demand. This strategy should specifically address the specialized care needs of veterans, including LTC and SCI/D program needs.**
- ★ **Congress increase resources to expand VA's internal capacity and expertise to build, repair, maintain, and manage facilities by hiring additional personnel and implementing training curriculum and certification programming required by the VA MISSION Act.**
- ★ **VA explore additional opportunities to expand partnering arrangements to supplement VA's health care infrastructure.**

2 Increase and Expand Extended Care Services and Supports

Long-Term Services and Supports

The Department of Veterans Affairs' (VA) Veterans Health Administration (VHA) faces several critical challenges as it develops its long-term care (LTC) strategy for an aging veteran population to include workforce shortages, geographic alignment of care, and the specialty care needs of our veterans. VA estimates that by 2039, the number of elderly veterans will double and the number of enrolled veterans who are 85 years or older will grow by almost 40 percent. More alarming, VA estimates the number of veterans in priority group 1A who are at least 85 years old is expected to grow by 588 percent. As a result, there will be a tremendous need for both institutional and noninstitutional care for these veterans in the near future. A wide range of long-term services and supports (LTSS) must be available to help veterans as they age, from occasional help around the house to around-the-clock clinical care.

> **"VA has six spinal injury/disease (SCI/D) LTC facilities, but only one is located west of the Mississippi River, in Long Beach, California.**

Currently, VA must provide LTSS to veterans in priority group 1A, regardless of age, who are rated 70 percent disabled or greater and need LTC for any reason. It also must provide LTSS to service-disabled veterans who need care because of their service-connected disabilities, as well as such care to all veterans based on need and availability.

To meet the needs of this population, VA should pay more attention to the geographical availability of care, particularly for disabled veterans who require specialized care. For example, VA has six spinal injury/disease (SCI/D) LTC facilities, but only one is located west of the Mississippi River, in Long Beach, California. This facility has only 12 SCI/D LTC beds available. Although projects are underway in San Diego and Dallas to provide more SCI/D LTC beds, the need far outweighs the supply.

Home and Community-Based Services

VA provides home and community-based care services (HCBS)— referred to as noninstitutional care –through programs like Veteran-Directed Care (VDC), home-based primary care, adult day health care, respite care, medical foster homes, and homemaker and health-aid services. Most aging veterans prefer to receive care through these types of home-based programs. Current law limits what VA can pay annually for noninstitutional care to 65 percent of the cost of nursing home care. When veterans reach this cap, they must seek other payment options or be personally liable for the cost.

Many veterans are also seeking better access to HCBS programs, such as VDC. VDC supports veterans and their families in a way that puts their needs first. Rather than asking families to navigate different benefits and applications, veterans in this program are given a flexible budget for services that can be managed by themselves or their caregivers. However, this program is not available at every VA health care facility. VA announced in 2022 that it intends to expand the program in the coming years, but veterans need access to care now.

The IBVSOs Recommend ✔

- ★ **Congress eliminate the annual cap on noninstitutional care.**
- ★ **Congress expand the availability of institutional and non-institutional care, but grow HCBS at a faster rate than institution-based care.**
- ★ **Congress mandate that all HCBS, including VDC, be made available at all VA medical centers.**

Caregiver Support Program

VA's Program of Comprehensive Assistance for Family Caregivers (PCAFC), which began in 2010, provides much-needed assistance to severely disabled veterans and their caregivers. While the program has been life-changing for tens of thousands of veterans and caregivers, VA has been unable to consistently, transparently, and equitably administer the eligibility, reassessment, and appeals processes associated with the program. While The Independent Budget veterans service organizations (IBVSOs) are pleased the PCAFC was expanded to cover caregivers of veterans from all eras, the current regulations, which were adopted in 2019, have not addressed the longstanding, systemic problems related to eligibility. As a result, VA Secretary McDonough suspended reassessments and removals from the program until better solutions could be found.

In April 2021, the Court of Appeals for Veterans Claims, in the *Beaudette v. McDonough* decision, determined that veterans and caregivers had the right to appeal unfavorable decisions related to the PCAFC program to the Board of Veterans' Appeals, which included full due process rights under the Appeals Modernization Act (AMA). For the past two years, VA has been working with caregivers and VSO stakeholders, as well as Congress, to develop new eligibility criteria, reassessment rules, and appeals processes to address problems with the program, with the goal of adopting new regulations.

The IBVSOs Recommend ✔

- ★ **Congress enact legislation and VA promulgate regulations to create more consistent, transparent, and equitable eligibility criteria and reassessment rules for the PCAFC.**
- ★ **Congress enact legislation to appropriately grandfather eligibility for veterans in the program before enactment of any new eligibility regulations and guarantee the continuation of full due process, notification, and appeal rights provided by the Beaudette decision and the AMA legislation.**

Benefits Critical Issues

3 Monitor Implementation of the PACT Act

With the passage of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act) (Public Law 117-168) in August 2022, monitoring the implementation of this comprehensive legislation will be key to ensuring veterans can access their benefits and services. The PACT Act added more than 20 presumptive conditions related to toxic exposures, expanded health care for toxic-exposed veterans, and created a process for the Department of Veterans Affairs (VA) to consider additional presumptive conditions for any toxic exposure. Veterans from around the country advocated for the successful passage of this historic legislation. It is now just as important to ensure the PACT Act is implemented properly and VA has the resources to do so effectively.

> **"The IBVSOs are concerned that some veterans exposed to burn pits and other environmental hazards would have to wait up to a decade before becoming eligible for VA care…**

Claims, Exams, and Adjudication

Congressional oversight of VA's disability claims process will be critical throughout the implementation of the PACT Act. Transparency and data sharing are key to understanding VA's ability to carry out the provisions of the legislation. It is important to monitor the number of PACT Act claims filed, how these claims impact workload, how many are approved and denied, and why. Understanding how VA manages the increase in claims will help Congress understand where resources are needed. In addition, resources must be used efficiently. For example, for many of the new PACT Act presumptive conditions, a service record and a current diagnosis should be sufficient to determine service connection. In these and other applicable cases, it may be unnecessary to require additional medical exams, which could further delay veterans claims. Using resources efficiently can ensure veterans receive their benefits without adding unnecessary delays.

Additionally, the Independent Budget veterans service organizations (IBVSOs) have witnessed an increase in predatory practices by unaccredited claims agents since the COVID-19 pandemic and with the recent passage of the PACT Act. Veterans may be vulnerable to companies that charge high fees to assist with claims, offering promises of increased disability ratings. Outreach and communications to veterans and raising awareness about these companies and how VA-accredited representatives can provide better assistance will be important in protecting veterans and their earned benefits.

The IBVSOs Recommend ✔

- ★ **Congress conduct oversight of all disability claims, including those related to the PACT Act, and require VA provide data on claims granted and denied, quality of exams and processing, as well as transparency regarding quality assurance.**
- ★ **Congress pass legislation to reinstate penalties to crack down on bad actors that charge inappropriate fees for claims assistance.**

Improve IT Systems, Develop and Monitor Claims Automation

To manage the increase in disability claims at VA, the Veterans Benefits Administration (VBA) and the Board of Veterans' Appeals need funding and resources to develop new IT systems and reprogram existing ones. While VA has increased its staffing levels for claims processing, adding more personnel alone will not resolve the growing workload. It has been more than a decade since the development of the Veterans

Benefits Management System (VBMS), which serves as the backbone for disability compensation claims processing. The VBA's IT systems are overdue for a significant update, which will require substantial investment and a clear action plan.

Congressional oversight over VA's use of automation will be necessary to ensure that claims are processed promptly and accurately. Automation will be particularly helpful with PACT Act presumptive conditions that require less development, such as active cancers, where there is a need to process claims more quickly. While automation can assist in a faster claims process, the IBVSOs strongly advise that ratings specialists continue to provide the final review and decision even after a claim has been processed through an automated system. IT systems alone should not determine a rating decision without VBA staff reviewing for accuracy.

The IBVSOs Recommend ✔

- ★ **Congress provide VBA and the Board of Veterans' Appeals the necessary funding and resources to improve IT systems and monitor claims automation processes.**
- ★ **VA ensure that disability rating decisions are reviewed by a ratings specialist, particularly if any part of the claim has been through an automated process.**

Training and Resources

Provisions within the PACT Act require VA to develop and provide toxic exposure training for claims specialists and health care providers. Reports in 2021 and 2022 by VA's Office of Inspector General indicated that many of the identified errors that led to unfairly denied claims were a result of a lack of training.

The IBVSOs Recommend ✔

- ★ **Congress conduct oversight to ensure VA's toxic exposure training is effective and conducted annually.**

Health Care Eligibility

The PACT Act also extends health care eligibility to toxic-exposed veterans covered by the law but does so in five phases over the next 10 years. The IBVSOs are concerned that some veterans exposed to burn pits and other environmental hazards would have to wait up to a decade before becoming eligible for VA care, particularly when early detection and treatment might prevent serious negative health outcomes. ◆

The IBVSOs Recommend ✔

- ★ **VA and Congress work together to make the administrative, regulatory, and statutory changes necessary to accelerate the phase-in of health care eligibility for all toxic-exposed veterans covered by the PACT Act.**

4 Reform Survivor Benefits

The Department of Veterans Affairs' (VA) Veterans Benefits Administration (VBA) administers and oversees Dependency and Indemnity Compensation (DIC) and a host of programs for veterans' survivors. Many of these programs have not been evaluated or modernized in decades; thus, The Independent Budget veterans service organizations (IBVSOs) agree that after many years of neglect, survivors' benefits are in immediate need of reform.

Created in 1993, DIC is a benefit paid to surviving spouses of service members who die in the line of duty or veterans who die from service-related injuries or diseases. DIC provides surviving families with the means to maintain some semblance of economic stability after losing their loved ones.

> **"Amyotrophic lateral sclerosis (ALS) is an aggressive disease that leaves many veterans incapacitated and reliant on family members and caregivers.**

Increase DIC Rates

While DIC helps many survivors of disabled veterans, the value of the current benefit is insufficient to provide meaningful support to survivors of severely disabled veterans. A veteran who is married and rated 100 percent service-connected receives approximately $3,800 a month in disability compensation, whereas the current DIC benefit is a little over $1,500 a month. When a veteran receiving compensation passes away, not only does the surviving spouse have to deal with the heartache of losing their loved one, they also have to contend with the loss of nearly $28,000 of income annually. This loss of income to a survivor's budget can be devastating, especially if the spouse was also the veteran's caregiver and reliant on that compensation as their sole income source.

The rate of DIC payments has only been minimally adjusted since 1993. In contrast, monthly benefits for survivors of federal civil service retirees are calculated as a percentage of the civil service retiree's Federal Employees Retirement (FERS) or Civil Service Retirement System (CSRS) benefits, up to 55 percent. This difference presents an inequity for survivors of our nation's heroes compared to survivors of federal employees.

Additionally, the IBVSOs are greatly concerned by the negative economic impact felt by survivors and their families over the past two years. The inflation rate in 2020 was 1.23 percent compared to 8.25 percent as of October 2022.

The IBVSOs Recommend ✔

★ **Congress index the rate of compensation for DIC to 55 percent of a 100 percent disabled veteran with spousal compensation on par with what federal employee survivors receive.**

Reduce the 10-Year Rule for DIC

If a veteran is 100 percent disabled, to include unemployable, for 10 consecutive years before death, their surviving spouse and minor children are eligible for DIC benefits if the death is not considered service-connected. Conversely, if that veteran dies due to a nonservice-connected condition before they reach 10 consecutive years of being totally disabled, their dependents are not eligible to receive the DIC benefit. This happens even though many surviving spouses put their careers on hold to act as primary caregivers for the veteran, and now with the loss of their loved one, they could potentially be left destitute. The IBVSOs agree that the requirement of 10 years seems arbitrary.

The DIC program would be more equitable for survivors if there were a partial DIC benefit starting five years after a veteran is rated totally disabled and reaching full entitlement at 10 years. This would mean if a veteran is rated as totally disabled for five years and dies, a survivor would be eligible for 50 percent of the

total DIC benefit, increasing until the 10-year threshold and the maximum DIC amount is awarded.

The IBVSOs Recommend ✔

★ **Congress replace the current 10-year period for eligibility for DIC with a graduated scale that begins at five years and reaches full entitlement at 10 years**

Waive the 8-Year Requirement for Surviving Spouses to Receive the "DIC Kicker"

Title 38, United States Code, Section 1311(a)(2) allows an additional DIC monthly payment to survivors, in the case of a veteran who at the time of death was in receipt of or was entitled to receive compensation for a service-connected disability that was rated totally disabling for a continuous period of at least eight years immediately preceding death. This monetary installment is referred to as the "DIC kicker." Amyotrophic lateral sclerosis (ALS) is an aggressive disease that leaves many veterans incapacitated and reliant on family members and caregivers. Veterans diagnosed with ALS have an average lifespan of two to five years and are frequently unable to meet DIC's eight-year requirement. VA already recognizes ALS as a presumptive service-connected disease and automatically rates any diagnosed veteran at 100 percent once service-connected, due to its progressive nature.

The IBVSOs Recommend ✔

★ **Congress extend increased DIC payments to surviving spouses of veterans who die from ALS regardless of how long they were service-connected with ALS prior to death.**

Improve Dependents Educational Assistance

Spouses and surviving spouses eligible for educational benefits under Dependents Educational Assistance only have 10 years to apply for and complete these education programs, beginning either from the date the veteran is rated permanently and totally disabled or the date of the veteran's death. Due to circumstances, such as the demands of raising children alone or needing to re-enter the workforce to supplement the loss of the decedent's income, many survivors are unable to apply for or complete their education in a timely manner. Far too often, when a spouse is ready to utilize the benefit, the time period has lapsed, leaving them unable to further their education and improve their living circumstances. ◆

The IBVSOs Recommend ✔

★ **Congress remove the 10-year delimiting date for spouses and surviving spouses to utilize their Chapter 35 benefits.**

Employment & Education Critical Issue

5 Ensure Long-Term Success of Military-to-Civilian Transition

The Independent Budget veterans service organizations (IBVSOs) believe a proper and well-rounded transition from the military is one of the most critical things our service members need to ease back into civilian life with minimal hardships. To that end, the IBVSOs place great emphasis on ensuring transitioning service members receive comprehensive counseling and mentoring before they leave military service. Veterans, who experience smooth transitions by properly utilizing the tools and programs available, will face less uncertainty regarding their transition from military to civilian life.

> **"A robust transition program, providing opportunities for upward mobility through education, training, vocational rehabilitation, or benefits will increase the number of those positively contributing to society...**

Enhance the Benefits Delivery at Discharge Program

Utilizing Department of Veterans Affairs (VA) health care and benefits will help ease common challenges veterans face during the transition from active duty to civilian life. Readjustment benefits such as the G.I. Bill and VA Home Loan are incredibly transformative benefits. Both can be applied for and utilized while veterans are still in uniform and after separation.

Transitioning service members can face many hardships, including unemployment, financial difficulty, homelessness, feelings of lack of purpose, and separation anxiety. Several programs have been established to support veterans during this transition. The IBVSOs believe programs like the Transition Assistance Program (TAP) are paramount in successfully transitioning from military life into the civilian world. The information provided to service members regarding VA benefits, financial management, higher education, and entrepreneurship is invaluable. If a separating service member does not have access to pre-separation counseling and accredited claims representation, an inequity is created, compared to those who do have access to these services.

The IBVSOs Recommend ✔

★ **Congress must mandate that pre-separation briefings be included within TAP curriculum to increase access to VA health care and benefits. By administering pre-separation briefings, active duty service members can apply for VA benefits before they transition to civilian life thereby reducing the number of veterans experiencing gaps in critical support.**

Increase Access to Accredited Claims Representatives

The accredited service officers of the Benefits Delivery at Discharge (BDD) program have been a resource for transitioning service members since 2001. The IBVSOs employ a combined 55 claims representatives who can provide pre-discharge claims representation at military bases around the country and are available for transitioning service members. While the primary role of the accredited representatives in the BDD program is to help service members navigate their VA disability claims, they are also able to assist with many other available benefits and opportunities. Last year, between individual meetings and classroom briefings, our accredited representatives met with over 30,000 service members, accounting for almost 15 percent of all transitioning service members. These interactions resulted in 28,000 claims for benefits.

The IBVSOs Recommend ✔

★ **VA should expand the eligibility for all service members to have their claims adjudicated as BDD claims regardless of how far out they are from separation. Currently, only service members who are 90-180 days from separation are eligible to have their claims reviewed as BDD claims. Service members who are less than 90 days from separation must go through the same process as everyone else. To ease the burden of transition, VA should treat every claim by an active-duty service member as a BDD claim to help all those transitioning out of service.**

Improve and Expand Access and Delivery of TAP

While the IBVSOs are pleased the five-day TAP classes were restructured within the past few years, there are concerns about the inconsistency of information provided to service members. Inconsistencies in TAP's delivery spotlight an inequity among service members and their access to VA health care and benefits before they leave service. The IBVSOs recommend Congress pass legislation that would mandate accredited service officers be included in the formal TAP curriculum where available. Such provisions would help reduce the number of transitioning service members unfamiliar with VA benefits and care they are eligible for and ensure veterans can succeed after leaving military service.

The goal of TAP is to ensure those who have served receive the appropriate support and resources once their term of service is complete. Whether they become part of the approximately 40 percent that engage with education benefits, the 17 percent who become entrepreneurs, or simply if they attain retirement status, every veteran has the right to understand what benefits they have earned and how to obtain them without falling victim to predatory companies who do not have their best interest at heart. Veterans often need purpose after the military. A robust transition program, providing opportunities for upward mobility through education, training, vocational rehabilitation, or benefits will increase the number of those positively contributing to society and reduce adverse outcomes such as homelessness, involvement in the justice system, and suicide.

The IBVSOs Recommend ✔

★ **Congress should pass legislation to ensure that only accredited service officers be included in the formal TAP curriculum and programming. Allowing accredited service members at TAP classes should help ease the transition for service members, and reduce the wait time before benefits are provided.**

★ **Congress should establish a fourth administration to focus on readjustment programs. With the implementation of the PACT Act and the expectation of increased claims, the IBVSOs recognize the Veterans Benefits Administration's (VBA) priorities are claims and appeals. Creating a fourth administration would ensure readjustment and transition programs have the leadership and attention necessary for sustained success.**

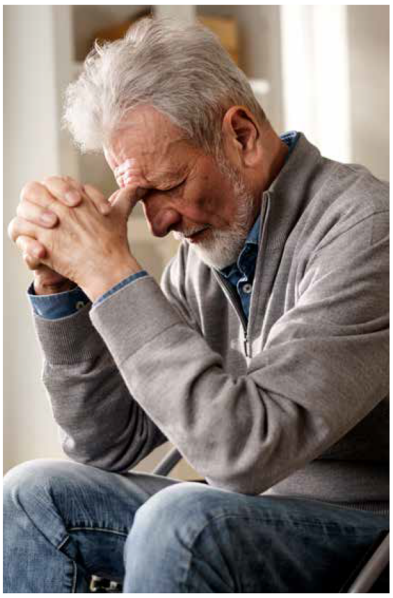
Addressing Veteran Suicide

Transitioning from military to civilian life can be challenging for many veterans. Dealing with post-deployment mental health and readjustment challenges, as well as employment, housing, and benefits can be stressful. For veterans who are struggling, access to mental health services is essential to VA's successful transition. Data consistently shows that individuals who engage in social determinants of health, such as those administered by the VBA are less likely to suffer suicidal ideations. One of the higher cohorts of veterans who die by suicide are veterans who have recently separated from service, according to a 2022 National Veteran Suicide Prevention Annual Report. The data in this report also showed veterans who engage with VA benefits are less likely to die by suicide than those who do not utilize these services.[1] Because of this, ensuring transitioning service members have access to the benefits and care they earned is critically important. Not only will this connection set up transitioning service members for success in civilian life, but also serve as a preventative factor against mental health challenges, which could lead to suicide. ◆

The IBVSOs Recommend ✔

★ **Congress should ensure pre-separation claims be mandated in TAP curriculum to help service members successfully transition into civilian life, and help mitigate suicide.**

> **"Dealing with post-deployment mental health and readjustment challenges, as well as employment, housing, and benefits can be stressful.**



[1] *Department of Veteran Affairs; 2022 National Veteran Suicide Prevention Annual Report, VA Suicide Prevention, Office of Mental Health and Suicide Prevention, September 2022.*


NAVY

For nearly 40 years, The Independent Budget veterans service organizations (IBVSOs)—DAV (Disabled American Veterans), Paralyzed Veterans of America (PVA), and the Veterans of Foreign Wars of the United States (VFW)—have worked to develop and present concrete recommendations to ensure that the Department of Veterans Affairs remains fully funded and capable of carrying out its mission to serve veterans and their families, both now and in the future. Throughout the year, the IBVSOs work together to promote their shared recommendations, while each organization also works independently to identify and address legislative and policy issues that affect the organizations' members and the broader veterans' community.

Disabled American Veterans
807 Maine Avenue, SW
Washington, DC 20024-2410
(202) 554-3501 // **dav.org**

Paralyzed Veterans of America
1875 Eye Street, NW, Suite 1100
Washington, DC 20006
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Veterans of Foreign Wars
200 Maryland Avenue, NE
Washington, DC 20002
(202) 543-2239 // **vfw.org**

Pre-Hearing
Questions for the Record

Pre-Hearing Questions on the Department of Veterans Affairs
Fiscal Year 2024 Budget Request
From Senator Jerry Moran, Ranking Member
Committee on Veterans' Affairs
United States Senate

April 24, 2023

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1. **VBA's inventory is over 800,000 and the backlog of claims waiting over 125 days is hovering around 210,000. However, VBA has requested a decrease in the FY 2024 request from the FY 2023 enacted FTE by almost 700.**

   a. **Please explain this decrease and how, if at all, it will impact VBA's ability to reduce this backlog as PACT Act is implemented?**

   RESPONSE: VBA expects to make significant headway in reducing the backlog and providing benefits to more Veterans than ever before in FY 2024. Our FY 2024 request includes the realignment of 795 FTE to the Toxic Exposures Fund established to support implementation of The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act (P.L. 117-168) legislation. This realignment is included in the overall increase of more than 8,000 FTE to VBA in FY 2024. The VBA backlog strategy includes a combination of people, process and technology. Modernized IT systems and infrastructure improvements will aid in support of the expected need for increased claims processing, including the investment in claims automation. Benefits gained by process and technology changes will provide the long-term efficiencies needed to reduce the backlog. This strategy reflects the agency's robust, data-driven projection model that has informed the hiring of a multitude of positions to support the processing of both PACT and non-PACT claims.

   b. **Is this decrease as a result of automation efforts and if so, please explain?**

   RESPONSE: The decrease in the Compensation Direct Labor FTE in VAs FY 2024 budget request is based on VBAs overall backlog strategy using a combination of people, process, and technology. These enhancements include, but are not limited to, VAs automation efforts. Some of the notable Compensation process and technology efforts include:

   - VBA is undergoing business modernization efforts designed to leverage technology by automating administrative tasks and workflows, known as Automated Decision Support (ADS) technology.

- VA's claims processing automation capabilities are being tested rigorously to ensure that system and server capacity will allow for the effective and efficient processing of PACT Act claims technology.
- The establishment of a new Military Exposures Team (MET) composed of primarily management and program analysts with various skillsets to provide dedicated focus and resources on issues related to military environmental exposures.
- Implementation of the Individual Longitudinal Exposure Repository (ILER):
    - VA continues to actively partner with DoD towards the common goal of building the ILER, a robust web-based application providing both agencies with the ability to link an individual to potential exposures, to improve the efficiency, effectiveness, and quality of health care. Designed to be interoperable with the electronic health record and searchable by individual, location and exposure, this comprehensive platform offers VA healthcare providers, disability claim processers, epidemiologists, and researchers a gateway into the occupational and environmental exposures of military personnel.
- Training to claims processors and examination vendors on how to best identify exam scheduling requests (ESR) that are potentially able to be completed through the Acceptable Clinical Evidence (ACE) process.

c. Where will the current FTE be redirected to?

RESPONSE: VBA will actively monitor to ensure technology and process changes confirm the agency's projection model. Once confirmed, a redirection of FTE in FY 2024 is not anticipated, rather is anticipated to occur through natural attrition, to include from promotions and retirement.

2. The seamless transition from active duty to veteran status is a high priority of this Committee. Great strides and improvements have been made in recent years to improve this transition. However, additional improvements still need to be made.

a. How does the FY 2024 budget request reflect the work VA will do with interagency partners such as the Departments of Defense and Labor, and with community partners to provide thorough resources and assistance to veterans and their families as they leave the military?

RESPONSE: The FY 2024 budget includes $1.2 million of permanent, ongoing funding for five (5) Regional VA Liaisons for Healthcare, who are either licensed clinical social workers or registered nurses, who support Military Treatment Facilities (MTFs) and DoD installations that do not currently have VA Liaisons for Healthcare located onsite. VA Liaisons for Healthcare educate about VA health care and benefits individualized to

transitioning service members' specific health care needs and coordinate service members' personalized transition of care to a VA health care facility which closes the gap between DoD and VA immediately post-service when there is an increased risk for suicide, homelessness and other vulnerabilities. These five Regional VA Liaisons for Healthcare were established in 2020 through a Joint Incentive Fund (JIF) project joining the existing 43 VA Liaisons for Healthcare, funded at $6 million annually, who are onsite at 21 DoD installations to ensure equitable access to this transition assistance for transitioning service members across all DoD MTFs/installations. VA Liaisons for Healthcare provided a clinically coordinated transition into VA health care for over 14,000 service members in FY 2022.

In addition, Post-9/11 Military2VA (M2VA) Case Management Programs embedded in each VA Medical Center which annually screen over 200,000 new Veterans entering the VA health care system for high risk factors such as suicidality, homelessness, and other social determinants of health to proactively identify Veterans who are at risk and need ongoing case management services. Post-9/11 M2VA Case Management teams currently case manage over 38,000 Veterans annually. The Post-9/11 M2VA Case Management Program, funded at $21 million annually, has been flat lined since 2007; the FY 2024 budget does not include any additional resources.

VHA agrees more needs to be done to ensure a seamless transition of health care from the military to the VA health care system. Additional resources would be needed in both programs to enhance or expand to provide individualized transition assistance and case management services to a larger number of transitioning service members.

VA shares Congress' goal of ensuring Service members and their families are supported as they transition from military to civilian life and remains dedicated to strengthening our transition initiatives. The Transition Assistance Program (TAP) is an interagency effort designed to help more than 200,000 transitioning Service members annually. Together with the Department of Defense (DoD), Department of Labor (DOL), the Small Business Administration (SBA), the Department of Homeland Security, the Department of Education, the Office of Personnel Management, and other agencies, VA equips Service members with the tools they need to succeed in civilian life and connects them with the benefits and services they have earned and deserve. In partnership, we take a comprehensive approach to care, ensuring TAP is a tailored program that evolves with the changing needs of transitioning Service members.

As part of TAP, the one-day VA Benefits and Services (BAS) course helps Service members understand how to navigate the resources within the VA, including how to access the benefits and services they have earned through their military careers. In addition to the BAS course, Service members and

their families may access Military Life Cycle (MLC) modules which are 45- to 60-minute information sessions on topics that matter most to active-duty Service members and their loved ones, such as education benefits, home loans, life insurance, Vet Centers, and community resources. MLC modules enable VA to share information with Service members well before transition so they can get an early understanding of their benefits and can plan for their futures. VA is currently developing additional modules to include those focused on Other Than Honorable, Reserve Component/ National Guard, American Indian/Alaska Native, and LGBTQ+, to name a few.

Legislation has enabled TAP to become a robust program with alternate pathways and multiple levels of assistance, allowing Service members to be in control of their transition process and utilize the programs, resources, and information that fit their needs and align with their post-transition goals. However, VA and its interagency partners recognize the need for continuous improvement for military to civilian transition outcomes. To that end, VA's FY2024 budget request includes funding for VA TAP and collaborative initiatives that will enhance or help measure both the quality of TAP, VA transition services, and Veteran outcomes. These FY2024 efforts include:

- **TAP Longitudinal Study**: P.L. 116-315 § 4306 requires VA, in consultation with DoD, DOL, and SBA, to conduct a five-year longitudinal study on three cohorts of individuals going through TAP. To meet § 4306 requirements, VA will leverage the existing Post Separation Transition Assistance Program (PSTAP) Assessment Outcome Study. The PSTAP began in 2019 and is a multi-year study to help determine the effectiveness of TAP on transitioning Service member (TSM) long-term outcomes in the broad life domains of employment, education, health and social relationships, financial, overall satisfaction, and well-being. PSTAP findings are used to inform improvements to a variety of programs throughout VA and within the interagency transition space. FY2024 activities will include revisions of the PSTAP survey instruments to cover § 4306 requirements, conduct of the 2024 data collections and completion of the annual reports.

- **Network of Support:** To wholistically support Service member transition, VA is executing the Network of Support (NoS) pilot program (Public Law 116-214, Section 101) which allows Veterans to designate 10 people to receive information on specified benefits and services from the VA. This ensures a Veteran's close connections have information to assist them during transition and help them to take full advantage of VA benefits and services. The pilot launched December 2021 and will run through December 2023. The final report will be drafted during FY 2024 and delivered to Congress by December 2025.

- **Nudge Design** - The project will identify areas showing limited transitioning Service member and Veteran participation in VBA programs/research. Additionally, the project will provide guidance and recommendations for non-invasive behavioral nudges—small changes in context or content to motivate positive decision-making e.g., increased participation in those programs. The project will analyze outcomes and any changes in data regarding Veteran participation (e.g., application, registration, Nudge activities slated for FY2024 include enhancement of additional MLCs for target populations, continued partnership with the Center for Minority Veterans for targeted enhancements – specific to minority populations, and additional MLC marketing plans for targeted populations.

Additionally, the following FY 2024 projects are in partnership with the Veterans Experience Office (VEO) for the Navigating Transition to Civilian Life cross-agency life journey. This project utilizes human-centered design or HCD methodology to keep the customer at the center. VA conducted research to better understand the experience Service members have as they leave service and is now working with subject matter experts across Government to make the process better. The projects below are being developed based on moments that matter to Service members and will be tested during development with customers to ensure the products work for customers.

- **VA Transition Sub-Council (VATSC):** The VATSC was formed in 2022 to ensure Enterprise-wide policy and program decisions are prioritized and developed to improve ease, effectiveness, and emotion for transitioning Service members, Veterans, their families, caregivers, and survivors when accessing VA benefits and services. The sub-council created three working groups focused on 1) Modernization of the VA TAP One Day Course in order to improve the customer experience; 2) Integration of VA programs and services from across the enterprise impacting Veteran transition; and 3) Increase enrollment in VA programs by coordinating all Veteran-facing communications channels.

- **Enhanced Statement of Benefits (ESOB)**: The ESOB will provide transitioning Service Members and/or Veterans with a modernized tool, after separation, that shares their individualized potential eligibilities to supplement their basic Statement of Benefits (SOB) which was received prior to separation. It will simplify and consolidate information and provide a more personalized listing of potential benefits utilizing administrative data VA already has. This will help minimize the workload on the transitioning Service member and/or Veterans. Acquisition planning in FY2024 will support the development phase in anticipation of execution in FY2025.

- **Transition Assistance Program (TAP) Self Service Project**- This is a user-friendly mobile application to enhance access for transitioning Service members, Veterans and their families to VA resources (benefits and services). It will serve as a resource for VA benefits and services, transition assistance information, that will allow for customizable content, and individual authentication to VA resource activities, to name a few features. FY2024 activities will include program definition and development based on HCD findings and recommendations.

These projects and assessments will provide VA and interagency partners with critical feedback and new post separation touch points on how to improve VA transition programs and services to enhance outcomes and provide resources and assistance to Veterans and their families as they leave the military.

The VA has a few additional programs to assist Service members as they transition into civilian life. We will continue to work closely with DoD, DOL, stakeholders, and community partners to promote and utilize the VA Solid Start (VASS) program to support recently separated Veterans during the critical first year after release from active duty. By utilizing consistent and caring contact, VASS seeks to establish a relationship with the Veteran, increase their awareness of available VA benefits and services, lower the barrier to accessing VA mental health care treatment, and support their successful transition to civilian life. Since the program launch in December 2019, VASS has continued to improve the successful connection rate, reaching more recently separated Veterans each year. VA will continue its focus on effective outreach to ensure continued growth and improvement for the VASS program.

The Personalized Career Planning and Guidance (PCPG) program is another critical VA benefit that provides career counseling, assessment, education planning and guidance resources unique to the Veteran, transitioning Service member or dependents' needs, and can help eligible beneficiaries set and achieve personal, career and educational goals. It provides one-on-one support, putting beneficiaries in the driver's seat of their education or career plan. Furthermore, the Veterans Transitional Grants Assistance Program (VTAGP), currently being established, will provide grants at the home-town level to Veterans and their spouses as they transition into civilian life.

3. **Over the past couple of years, we've continued to see problems, especially in rural areas, for veteran homebuyers to close on a home compared to their civilian counterparts, using conventional loans.**

a. Does the FY 2024 budget request reflect any increased resources for the Loan Guaranty Service to improve the home buying process for veterans?

RESPONSE: Yes. The Department of Veterans Affairs (VA) requested an increase in the discretionary budget for the Veterans Housing Loan program. The 2024 request includes 73 additional FTE funded by reimbursements to support the LGY program in Loan Production (24 FTE), Loan Administration (12 FTE), Construction and Valuation (12 FTE), and VBACO (22), which also includes three FTE for the Native American Direct Loan (NADL) program. The additional NADL FTE are based on the program's growing construction demand, as well as a renewed focus on ensuring Native American Veterans are provided the opportunity to pursue home ownership on Tribal Lands.- For more information, please refer to the FY 2024 President's Budget at fy2024-va-budget-volume-iii-burial-and-benefits-programs-and-departmental-administration.pdf.

b. Are there any additional resources requested for additional VA-approved appraisers or modifications to the approval to become a VA-approved appraiser, and any request made for additional improvements to the desktop appraisal platform?

RESPONSE: In the FY 2024 President's Budget, VA requested 12 additional FTE for Loan Guaranty Service's Construction and Valuation staff. The additional staff will support the VA Home Loan Program as it relates to real estate appraisals, including providing administration, policy, and oversight to the Lender Appraisal Processing Program (LAPP), VA's appraisal fee panel, and implementation of recent legislation such as the *Blue Water Navy Vietnam Veterans Act of 2019* (P.L. 116-23) and *Improving Access to the VA Home Loan Benefit Act of 2022* (P.L. 117-308).

4. OGC has said that it takes over a year to accredit an entity to assist a veteran in their disability claims. How does the FY 2024 budget request reflect this timeframe and the resources needed to narrow it?

RESPONSE: VA's Accreditation, Discipline, and Fees (ADF) program is funded as part of OGC through VA's General Administration account.

- In FY 2022, the allocated operating budget for the ADF program was approximately $1,874,769. The staffing for the program included 1 supervising attorney, .25 of a senior attorney, 4 staff attorneys, 1 supervisory paralegal, 5 paralegals, and 1 legal assistant. In addition, the Chief Counsel for OGC's Benefits Law Group, who also oversees the ADF program, spent approximately 15% of his time doing so.
- For FY 2023, the allocated operating budget is $2,264,970.92. The staffing for the program will include 1 supervisory attorney, 2.25 senior attorneys, 3 staff

attorneys, and 1 supervisory paralegal and 6 paralegals. The Chief Counsel for OGC's Benefits Law Group anticipates that he will spend approximately 15% of his time leading the program.

- For FY 2024, the proposed budget is still to be determined but OGC does know that the staffing of the program is expected to increase by at a minimum, 1 additional attorney and 2 additional paralegals.

In addition, to better address the ADF program's budgetary needs for FY 2024, VA has proposed legislation for FY 2024 legislative that would amend sections 5902 and 5904 of title 38, United States Code, to increase the assessment amount that VA may collect from VA-accredited attorneys and agents when the Department directly pays them fees from the claimants' past-due benefits from $100 to $127, and to provide annual adjustments of that assessment amount, indexed to Social Security increases. The FY 2024 proposal would also establish a limited transfer authority to defray costs incurred in carrying out the ADF program from funds appropriated, or otherwise available, to the Department for administrative expenses for veterans' benefits programs.

OGC's ADF program is also working with VA's Office of Information Technology to create an outward-facing on-line portal that is expected to increase the administrative efficiency of the program by allowing the various ADF stakeholders to update their own contact information and to submit and upload documents on their own—such as applications for accreditation and recognition, fee agreements, complaints, responses to motions—to the ADF program.

5. **In addition to VBA's claims automation efforts, how does the FY 2024 budget request reflect efforts to work with third party experts to improve Acceptable Clinical Evidence exams to allow for more virtual medical disability exams?**

RESPONSE: VBA has provided training to claims processors and examination vendors on how to best identify exam scheduling requests (ESR) that are potentially able to be completed through the Acceptable Clinical Evidence (ACE) process. Vendors have been instructed to review every ESR, for possible completion through ACE or Tele-Compensation & Pension (TeleC&P) examination processes. The clinician determines whether the ACE process is a viable modality for the examination. All vendors, including VBA's newest vendor, continue to screen the examination request during the triage process to determine if the ACE modality is applicable. Prior to March 2020, completion of VBA contract C&P examinations through ACE and TeleC&P was less than 5%. As of April 2023, about 20.2% of all contract C&P exams are completed through ACE and TeleC&P.

The FY 2024 budget currently supports virtual modalities such as ACE to be the same price as in-person examinations. This allows contract vendors to utilize this method, when possible, to expand this modality. VBA works with vendors weekly to promote the ACE modality to maximize completions. Contract vendors continue to incorporate this modality into the operational model and are continuously improving

their technologies to streamline ACE and apply where applicable to maximize the operational efficiencies. The contract exam vendors are currently working with third-party technology experts and use tools to leverage more ACE and virtual exams, summarizing medical data and other information for efficient examinations.

6. **Does the FY 2024 budget request reflect work within the current Medical Disability Exam contracts to provide for additional mobile medical clinics for exams and adding more exams to the contractors or VHA maintaining around 10% of disability exams?**

   RESPONSE: VBA implemented new performance metrics for exam contract vendors effective April 2023. These new performance metrics include an exam production metric that scales with the exam request volume and is designed to incentivize exam contract vendors to appropriately add capacity for the projected exam request volume in FY 2024. The new performance metric is designed to incentivize exam contract vendors to achieve aggressive exam completion levels by awarding monetary incentives while penalizing exam contract vendors with a monetary disincentive if they do not meet certain minimum production levels. This production metric will scale appropriately regardless of whether VHA maintains 10% of the exam workload or not. The FY 2024 budget includes funding to allow VBA to pay contract exam vendors to utilize mobile medical clinics to conduct exams for any VA sponsored event. All medical disability examination contracts have Contract Line Item Numbers (CLINS) that medical exam vendors use to charge VBA for the use of mobile medical clinics. This also allows VBA to track medical exam vendor usage of mobile medical clinics. VBA promotes the use of mobile medical clinics in various efforts to include service to rural Veteran populations (including use of temporary license portability authority for examiners operating across state lines), claim clinics, and augmentation of network capacity in areas of high demand.

7. **The completion of the Digital GI Bill remains delayed from its original schedule. Does the FY 2024 budget request redirect any resources from this priority to other IT priorities?**

   RESPONSE: Funding has not been reallocated to other IT initiatives.

8. **In 2022, Congress came together on a bipartisan, bicameral basis to pass comprehensive legislation to improve how VA provides health care and benefits to address the negative health effects of military toxic exposures, the Sergeant First Class Heath Robinson Honoring Our Promise to Address Comprehensive Toxics (PACT) Act (P.L. 117-168). Within the PACT Act, Congress also created a novel funding mechanism – the Cost of War Toxic Exposure Fund (TEF) – to provide a dedicated funding stream for the costs associated with implementing the PACT Act and providing care and benefits to toxic-exposed veterans and their survivors pursuant to it. The FY 2024 budget requests $20.3 billion for the TEF in 2024, nearly 4 times the amount of the Congressional Budget Office's (CBO's) 2024 projection for the TEF of $5.4**

billion. CBO did not project annual TEF outlays reaching $20 billion until FY 2030, six years from now.

a. **Please elaborate on why the FY 2024 budget request so far outpaces CBO's projections for the TEF.**

Regarding the Congressional Budget Office (CBO) cost estimate from June 6, 2022, "Estimated Budgetary Effects of H.R. 3967, Honoring our PACT Act of 2021, as Passed by the House of Representatives on March 3, 2022, and as Amended by the Senate Committee on Veterans' Affairs, CBO is best able to explain their estimates and the assumptions behind those estimates.VA notes that the CBO estimates were done on an earlier version of the bill and the not the final bill that was signed into law on August 10, 2022. The VA budget request for FY 2024, released March 2023, is based on the PACT Act as passed and months of operational experience.

The PACT Act authorized the Cost of War Toxic Exposures Fund ("TEF") to fund the incremental costs above FY 2021 for health care associated with environmental hazards and for any expenses that are incident to the delivery of health care and benefits associated with exposure to environmental hazards, as well as medical research relating to exposure to environmental hazards. The Administration is limiting the TEF request to those increases and excluding costs not associated with exposure to environmental hazards.

Details on how VA prepared its budget request and the assumptions supporting that request can be found in VA's FY 2024 Budget Submission, specifically:

- TEF overview: Budget in Brief, page BiB-6
- VHA TEF request: Medical Programs, Vol 2, page VHA-17
- VBA TEF request: Burial and Benefits Programs and Departmental Administration, Vol 3, page VBA-55
- Board TEF request: Burial and Benefits Programs and Departmental Administration, Vol 3, page BVA-276
- OIT TEF request: Information Technology Programs and Electronic Health Record Modernization, Vol 5, page IT-165.
- General Administration TEF request: Burial and Benefits Programs and Departmental Administration, Vol 3, page GenAd-295

9. **The FY 2024 budget request assumes an investment of $305 million for the Office of Rural Health, which includes the sustainment of programs in an effort to provide better care to veterans in rural and highly rural settings.**

a. **Please clarify and further break down how much investment the budget request assumes for the VHA Clinical Resource Hubs, the Rural Patient Tablet Program, and the Tele-Critical Care Initiative?**

RESPONSE: VA plans to invest the following amounts in FY2024:

- Clinical Resource Hubs - $100M
- Rural Patient Tablet Program - $5M (committed to sending additional funding up to $10M if needed and as it becomes available throughout the FY)
- Telecritical Care - $15M

b. Please share how much investment the budget request assumes in FY 2024 for the purposes of mental health programs and workforce training and education programs through the Office of Rural Health?

RESPONSE: VA plans to invest the following amounts in FY2024:

- Mental Health Programs - $20M
- Workforce Training and Education - $7M

10. The FY 2024 budget request assumes an investment of $984 million for intramural research within the Medical and Prosthetic Research account, which represents a seven percent increase over the FY 2023 enacted level, and $540 million for extramural funding, which includes other federal and non-federal resources.

a. Please further detail within the $984 million intramural research account the exact funding planned each for the Merit Awards, the Research Career Scientist Awards, Research infrastructure, and how much funding is dedicated to capacity building for the Research enterprise.

RESPONSE: The table below depicts the FY 2024 estimated amount for Merit Awards, Research Career Scientist Awards, Research infrastructure and support, and capacity building based on the Medical and Prosthetics Research Appropriation's request of **$938 million and the Toxic Exposure Fund request of $46 million**. The response to Question 10(b) and accompanying spreadsheet provide further details for these categories.

	FY 2023 (current Allocation/planned as 5/2/23)				FY 2024 Estimated Allocations			
Type	Medical Research	ARP	TEF	Total	Medical Research	ARP	TEF	Total
Capacity Building	$ 86,276,073	$ 7,468,511	$ 615,354	**$ 94,359,938**	$ 90,169,406	$ -	$ 10,944,018	**$ 101,113,424**
Merit Awards	$ 624,549,503	$ 19,628,008	$ 1,696,492	**$ 645,874,003**	$ 652,733,209	$ -	$ 30,055,982	**$ 682,789,191**
Research Career Scientist Award	$ 30,906,320	$ -	$ -	**$ 30,906,320**	$ 32,301,013	$ -		**$ 32,301,013**
Research Support and Infrastructure	$ 155,767,152	$ 1,862,670	$ -	**$ 157,629,822**	$ 162,796,371	$ -	$ 5,000,000	**$ 167,796,371**
Total	**$ 897,499,047**	**$ 28,959,189**	**$ 2,311,846**	**$ 928,770,082**	**$ 938,000,000**	**$ -**	**$ 46,000,000**	**$ 984,000,000**

Please note, estimates will be impacted by the outcome of merit reviews for individual applications, the date of FY 2024 enactment, activities related to start-up and/or execution of individual studies, and other considerations.

b. Please provide a spreadsheet detailing all projects funded in FY 2023 through the Merit Awards and Research Career Scientist Awards within the intramural research account. The spreadsheet should contain project titles, brief descriptions of the project, and the funding amount awarded for each project.

RESPONSE: The spreadsheet attached is an extract from the Research Analysis Forecasting Tool (RAFT), which represents funding allocations to date (as of 5/2/23) for FY 2023 for the approximately 3,100 projects funded by ORD.

The breakout by type is reflected in the table for question 10B. The spreadsheet is comprehensive and will provide an overview of the FY 2023 activities that the Office of Research and Development is funding. Please note that these amounts may not align to the year-end totals as ORD scientific portfolio managers have not completed coding for projects by designated research area and may differ from the year end estimates presented on page 633 of the Congressional Justification, funding by Designated Research Area.

Award Type	Project Count
Capacity Building	522
Merit Awards	2309
Research Career Scientist Award	186
Research Support and Infrastructure	81
Grand Total	**3098**

c. The FY 2024 budget request describes the Office of Research and Development's six cross cutting clinical priorities. Four of the six have a direct or indirect connection to brain and mental health: opioid use, traumatic brain injury, posttraumatic stress disorder, and suicide prevention. Please further breakdown the level of investment for brain and mental health research initiatives within the intramural research account, including the Hannon Precision Brain Health Initiative.

RESPONSE: The table below provides this information. Additionally, this detail can be found on page 633 of the Congressional Justification by Designated Research Area and Research Priority Area (RPA). This includes activities associated with the Hannon Precision Brain Health Initiative. In response to a separate request from the SVAC GOP, the Office of Research and Development is working on an overview of all brain health initiatives ORD is currently undertaking and specifying which efforts are directly related to the Hannon Act Precision Brain Health Initiative. This response will include a more detailed breakdown of these investments and will be completed within the next week.

Designated Research Area	Dollars in Thousands
CNS Injury & Associated Disorders (e.g., TBI)	$160,151
Dementia & Neuronal Degeneration	$43,660
Mental Illness (e.g., Suicide Prevention)	$138,937

d. The FY 2024 budget request assumes a $46 million investment in mandatory spending in the intramural research account due to the impacts of TEF. What are the specific research activities that are planned for this fenced investment?

RESPONSE: ORD has issued a policy on use of the Toxic Exposure Fund in Research that details how ORD funded efforts support of PACT Act goals. This policy will address a range of Scientific Research activities related to identifying mechanisms, associations, treatments and/or care and care delivery related to toxic exposures related to Military Service. Additionally, research activities for which TEF funding can be applied include ones intended for evidence-generation and/or implementation-science-based approaches to support access to VA resources and healthcare (treatment and screening) for individuals exposed to toxic exposures during military service. To achieve these objectives, TEF funding may be used to support of a range of needs/resources and/or related activities. Such resources may be centrally coordinated and/or based in the field to achieve maximum efficiency as part of a larger ORD research enterprise approach. As ORD finalizes this policy, studies and projects supported by TEF will include:

- Research activities for ORD's recently initiated Military Exposures Research Program (MERP). These efforts include MERP cores that will provide data, biorepository, exposure assessment and coordination infrastructure for conducting military exposures research within VA.
- Funding investigator-initiated and program-directed medical research in the Military and Environmental Exposure and Gulf War Designated Research Areas (DRA's).
- Studies solicited through a request for applications specifically to military exposures research.
- Support and Implementation of Section 501 of the PACT Act (P.L. 117-168), Interagency Working Group on Toxic Exposure Research.
- Individual clinical research and other studies that were previously initiated by other ORD supported programs/services will be considered for budgetary support realignment under TEF. For example, a large-scale observational study conducted by the Cooperative Studies Program that is examining respiratory health outcomes associated with deployment to Southwest Asia and Afghanistan is expected to fall under this category.

e. **When looking at employment distribution across the Office of Research and Development, the FY 2024 budget request assumes 113 FTEs will be essentially funded by the TEF. Please provide a list of career categories and basic functions each will perform under this new funding stream?**

RESPONSE: The career functions performing Research at VAMC mirror occupations funded by the Research Appropriation but will be funded via expense transfer to the Toxic Exposure Fund. Below is a list of the common positions that might be funded by a Merit Award.

- **Principal Investigators** – develop and manage research studies
- **Research associates** – staff supporting the conduct of research projects
- **Research coordinators** – staff who work with human subjects. Duties include consenting subjects, collecting data, supporting study procedures
- **Biological Laboratory Technicians** – staff who work in laboratories conducting experiments.
- **Health Science Specialists** – staff who perform a variety of duties outlined in the protocol including data collection and management
- **Statisticians** – staff who analyze data using statistical techniques
- **Data managers** – staff with expertise in collecting, organization and curating data from studies
- **Biorepository Specialists** – staff with expertise in handling biospecimens collected from research participants for analysis

11. **In FY 2024 budget submission, the National Cemetery Administration (NCA)'s Operations and Maintenance (O&M) request of $840 million represents an increase of 11.6% from the FY 2023 enacted level. This is an increase of approximately 2.5% over the rate of growth from FY 2022 to FY 2023.**

a. **What is VA's forecast for the rate of growth in the O&M budget in the coming years for a responsibility that will only grow, even amidst a declining number of veterans and veteran burials?**

RESPONSE: O&M resource requirements are dependent on several factors independent of a decreasing number of veterans. For example, the National Cemetery Administration (NCA) must maintain the accumulation of gravesites in perpetuity. To provide some context regarding the rate of growth for NCA, the number of gravesites at VA national cemeteries is expected to increase from nearly 3.8 million in 2018 to almost 4.2 million in 2023. The number of gravesites is expected to reach almost 4.3 million in 2024. In addition, the opening of new cemeteries and gravesite expansion projects underway will increase the number of developed acres to 9,743 in 2024, an increase of 5.8% from the 9,210 acres maintained in 2018. NCA workload is not static - we must maintain an increasing

number of gravesites and expansion in cemetery grounds in a manner befitting their status as national shrines. We must also accommodate second interments, which accounted for nearly 64% of our interments in 2022 and will continue to be a significant portion of our workload. In addition, the percent of the total veteran population choosing interment in a VA national cemetery has increased over the years – from 14.5% in 2018 to 16.4% in 2022.

The budget process incorporates analysis of the historical data on interments, gravesites, and acres as well as workload projections for the budget year. In addition to the workload data used to project staffing requirements, NCA analyzes non-payroll data provided by its cemeteries on an annual basis to estimate budget requirements for equipment, utilities, supplies and contracts, including the cost of non-recurring maintenance projects. While NCA workload will continue to increase, NCA must also consider inflationary and other cost increases for both payroll and its non-payroll requirements. NCA will continue to use the budget process to request Operations and Maintenance (O&M) funds sufficient to support the increasing workload, while maintaining our reputation as a world-class service provider to Veterans and their families.

b. What is VA's expectation for the budgetary impact of the dynamic of declining burials and increased extant maintenance responsibilities?

RESPONSE: NCA has been steadily managing the largest expansion of the cemetery system since the Civil War. In addition to the opening of 13 new cemeteries in the last decade and another 5 planned new cemetery openings, NCA continues to expand existing national cemeteries through construction projects. Projects to keep existing national cemeteries open by developing additional gravesites and columbaria, or by acquiring additional land, prevent the loss of burial option for Veterans that are currently served by a national cemetery within a reasonable distance of their residence. Requested funding levels for the minor and major construction programs vary from year to year based on projected burial workload and gravesite depletion forecasts.

As NCA's workload continues to increase, additional cemetery staff, contracts, equipment and supplies are essential for NCA to maintain its developed acreage and increasing number of gravesites in a manner befitting a national shrine. Current service funds are required to maintain frequency of cemetery ground and gravesite maintenance activities including mowing, trimming grass and maintaining trees, as well as cleaning headstones and markers at existing cemeteries. NCA will continue to request O&M funds sufficient to provide for the activation of new cemeteries, meet increasing workload requirements and perform maintenance at its cemeteries through the budget process.

12. In line with NCA's long range goals and plan, the access options afforded to veterans and eligible family members will expand as Rural and Urban Initiative cemeteries with firm projected opening dates come online this year and

next. Three sites are projected to come online by the end of calendar year 2024, with two sites currently lacking a projected opening date, and one still lacking an actual site. These initiatives have been over budget and behind schedule for years, but the vision of the plan for system expansion set out in 2014 at last seems to nearing completion.

a. **Does NCA anticipate having enough resources to open these new sites in the projected timelines?**

RESPONSE: Yes – The FY 2024 budget request provides sufficient funds to open the new sites within the planned timelines. NCA utilizes both construction funds and O&M resources to construct and activate new cemeteries. NCA deploys an initial cadre of staff at each new national cemetery well in advance of the formal opening to perform various tasks in support of a successful formal opening. Continued activation funding ensures that newly opened cemeteries receive the resources required as interment activity and maintenance workload increase after the initial opening. The 2024 O&M budget request includes 1 FTE and $544 thousand for the activation of the rural cemetery in Elko, NV.

13. **After years of static funding or small investments, the requested increase in funding for the Veterans Cemetery Grant Program (VCGP) has doubled from the $5 million requested in the last budget cycle to $10 million in FY 2024. Please elaborate on this amount and how it will impact the ability to fund conforming grant requests already in the queue.**

RESPONSE: The increased funding of $10 million in FY 2024 supports the VA's goal of increasing burial access where possible by having states build new grant-funded cemeteries in locations where there are significant numbers of Veterans not currently served by a Veterans cemetery.

VCGP remains successful at funding 10-year build-outs for Priority Group 1 (PG1) expansion requests. In recent years, we have been unable to fund projects in other priority categories within available funding. Through conversations with states, we learned that in FY 2024, there may be one or two pre-applications for high-impact establishments (in terms of unserved Veterans). The $10 million increase in the FY 2024 request makes it more likely that we would be able to support a significant establishment after funding conforming PG1 pre-applications.

14. **The Undersecretary of Memorial Affairs has publicly affirmed the importance of VCGP in meeting NCA's strategic goal of veteran burial access. Grant-recipient partners submitted 52 conforming applications during this last year's cycle, totaling $173 million which is more than double the current budget request of $60 million.**

a. **How is NCA working with partners to communicate this shortage of funds for conforming applications?**

RESPONSE: The $173 million represents the total inventory of conforming grant applications and it is unlikely that all states would be ready to proceed in the same fiscal year. The VCGP meets quarterly with state and tribal cemetery leadership to discuss multiple issues, and this includes communications about budgets, priority lists and the categories of projects that are being funded. Twice a year, NCA senior leadership communicates with State Veterans Affairs leadership during meetings of the National Association of State Directors of Veterans Affairs sharing the same type of information. When special requests arise, NCA meets with key stakeholders including, in many cases, federal legislators to discuss how the funding is being allocated.

b. Is NCA encouraging partners to seek other solutions to fund needed projects?

RESPONSE: NCA does not need to encourage our state and tribal partners to seek other solutions for PG1 projects as we have been successful in meeting the needs for PG1.

NCA has not actively encouraged partners to seek other funding solutions for PG2; however, after receiving specific inquiries, it has been communicated to multiple states that they may build Veterans cemeteries without seeking grant funds and that VA would still provide support in the form of burial plot allowances and headstones and markers.

We also remind states and tribes that if they are not meeting NCA Operational Standards and Measures at grant-funded cemeteries, it is their responsibility to address the issue to meet the standards, regardless of whether they apply for and receive funding in the form of grants for Priority Group 4 (Improvement and Operations and Maintenance).

15. The VCGP Priority List ranks expansion and establishment requests higher in priority than most improvement project requests. Projects to address NCA's National Shrine Standards are included in the lowest priority level.

a. Does NCA plan to dramatically increase the budget request for this program in the coming years to be able to address not only urgent needs that could disrupt burial service, but also the maintained dignity of these partner cemeteries in compliance with National Shrine Standards?

RESPONSE: Budget requests for the VCGP program will be considered along with other departmentwide priorities during the formulation process.

b. Does NCA plan any reforms of auditing or oversight of partner cemeteries to try to proactively and locally address needs to pre-empt the need for grant submissions?

RESPONSE: NCA regularly adjusts its Compliance Review Program (CRP) to meet needs. The purpose of the CRP is to ensure that grant funded cemeteries maintain NCA Operational Standards and Measures as agree to at the time of the grant award.

Additionally, in response to a recommendation found in the OIG report: Veterans Cemetery Grants Program Did Not Always Award Grants to Cemeteries Correctly and Hold States to Standards (Report Number 20-00176-125, Issued June 24, 2021), NCA is drafting a proposed rule which includes improvements to accountability measures for applicants to qualify for cemetery grants and for VA to consider more proactive corrective measures to address non-compliance with grant terms and conditions.

c. Is NCA communicating to partners the ability to use grant funding to send staff to the NCA National Training Center to help build up trained workforces with greater ability to maintain and manage their cemeteries?

RESPONSE: NCA has communicated to states and tribes that this funding will be available once the proposed rule that creates implementing regulations is finalized. The draft proposed rule is currently being reviewed by the VA Office of General Counsel.

16. If the FY 2024 budget request is fully funded at the requested level, what improved outcomes – as evidenced by increased access to care, decreased patient waiting times, increased quality of care, and decreased veteran suicide rates – will be achieved by FY 2025?

RESPONSE: VHA has developed measurable goals to ensure it reaches Secretary McDonough's goal to provide more care and more benefits to more Veterans than ever before, and full funding of the FY 2024 Budget is necessary to achieve these goals given projected workload. The "North Star" metrics are aimed to improve direct care average wait times, community care scheduling time, and improve Veteran satisfaction for receiving timely care. VHA has several initiatives focused on achieving the goals of the North Star metrics which are enhanced through the fully funded FY 2024 budget request. For each North Star metric, VHA has a clearly outlined long-term goal with short- and medium-term goals to track improvements over time.

FY 2024 funding supports VHA's continued journey to become a High Reliability Organization (HRO). HROs experience fewer than anticipated accidents or events of harm, despite operating in highly complex, high-risk environments, such as the

complex healthcare environment. Since the launch of VHA's Enterprise HRO Implementation Activities, both Patient Safety Culture and safety reporting measures have shown improvement across all three HRO implementation cohorts, encompassing all VA healthcare facilities. With continued resourcing, it is expected that positive trends will continue, in alignment with the VHA HRO vision of being the "Safest Healthcare System for All."

VA will continue to track FY 2024 suicide prevention operational and clinical activities to assess impacts on suicide outcomes as well as continue its efforts to fill vacancies across the enterprise. Research has shown that increased mental health staffing, which improves access, is positively associated with decreased suicide deaths. FY 2024 funded efforts include but are not limited to:

- Increasing access and engagement with geographically remote and other high risk Veteran populations.
- Supporting current demands and having capacity for future efforts such as supporting implementation of STRONG Veterans Act of 2022 (Public Law (P.L.) 117-328) and the Veterans Comprehensive Prevention, Access to Care, and Treatment Act of 2020-COMPACT Act of 2020 (Public Law (P.L.) 116-214).

Continued provision of suicide prevention services, including outreach and mental health screening; education on suicide risk and prevention to communities; the provision of services for emergency treatment, case management services, and peer support; and assistance in obtaining and coordinating benefits provided by the Federal, State, and local governments to facilitate reduction of risk.

17. In February 2023, VA presented its Strategic Analytics for Improvement and Learning (SAIL) update for the fourth quarter of FY 2022, which found a 12-month trend of "meaningful decline" across all seven access to care measures. What specific resources are allocated in the FY 2024 budget request to reversing that concerning pattern?

RESPONSE: Fully funding the FY 2024 budget at the requested level affords the projected workload in FY 2024, driven primarily by demographics and PACT Act, at the projected unit cost of the services provided.

The resources will be used to expand staffing and pay for community care claims. Particular areas of access growth include:

- Expanded hiring for mental health staff
- Case management for Veterans with visual impairment
- Hiring incentives to retain and increase providers for primary care, specialty care and mental health care
- Expand access to Precision Oncology
- Supports Clinical Resource Hubs

- Expansion of services and supporting technology available through Clinical Contact Centers
- Investment in modernization of scheduling systems to match Veterans more efficiently and effectively with available Telehealth resources
- Continued investment in telehealth capability and capacity

18. Please detail the resources allocated in the FY 2024 budget request to fulfilling the interim final rule on reproductive health services that was published in the Federal Register on September 9, 2022, and list the specific actions that will be carried out in support of the interim final rule.

RESPONSE: VA already provides high-quality gender specific care to Veterans, including pregnancy-related care. Management of early pregnancy loss and stillbirth is clinically identical to management of abortion. Provision of abortion requires no specialized equipment, personnel, medication, or other clinical resources different from management of complications of pregnancy.

The projected economic impact of AR57 is discussed in the Regulatory Impact Analysis (RIA) for RIN 2900-AR57(IF), Reproductive Health Services, that accompanied the rule. The RIA's cost estimate for providing pregnancy options counseling, to include abortion counseling, and abortions to Veterans and CHAMPVA beneficiaries, when (1) the life or health of the pregnant veteran or health of the CHAMPVA beneficiary would be endangered if the pregnancy were carried to term, or (2) the pregnancy is the result of an act of rape or incest, was based on a projection of approximately 1,000 abortions annually. The RIA's estimated total expenditures for AR57 for FY24 was $2.172 million. Thus far, the number of abortions performed to date suggests that significantly fewer numbers of abortions will be provided in FY24. Our revised projection for FY24 direct expenses would likewise be significantly reduced.

19. Please detail how the FY 2024 budget request will support improved timeliness related to community care referrals for veterans seeking care in the community pursuant to the MISSION Act (P.L. 115-182) and empower veterans with greater choices in where, when, and how to seek health care from the VA healthcare system and through VA's community partners.

RESPONSE: VA is committed to ensuring Veterans scheduled for VA care receive that care in the soonest time possible. Fully funding the FY 2024 budget request will be key to the success of the recent legislative changes that have increased access to care, including the PACT Act and the COMPACT Act. VA has numerous initiatives that will rely on funding support, allowing VA to meet Veterans' care accessibility and availability needs. To ensure that we provide timely access to care, while providing more care than ever before, and while continuing to empower Veterans with greater choices, each Veteran's trust, VHA has established measurable goals for all facilities on three "North Star" metrics:

1. Direct care wait times from the date of request
2. Time to schedule community care appointments
3. Veteran satisfaction of timely care

VHA has several initiatives focused on achieving the goals of the North Star metrics, including the timeliness related to community care referrals for Veterans. VHA is working with OI&T and other stakeholders towards a multi-year, comprehensive roadmap that is intended to modernize our scheduling systems. This roadmap aligns all major stakeholders and efforts that touch direct care, virtual care, community care, and Veteran self-scheduling to create a single vision for scheduling. For example, funds are needed for acquisition of a software as a service (SaaS) solution to provide the functionality to view and schedule into community care provider clinic grids. Pilot evaluation of this capability has revealed significant improvements in efficiency and time to first schedule community care.

VA is also continuously evaluating lessons learned and developing solutions in current contracts and future CCN contracts to ensure Veterans receive timely access to care. VA closely monitors the performance of our Community Care Network and the availability of community providers; working with our third-party administrators to build capacity and address gaps.

VA began implementing PACT Act hiring authorities in August 2022. Five of the six waves have been completed so far resulting in more than 10 new authorities to support hiring and retention including:

- Removal of restrictions on hiring of housekeeping aides
- Expedited hiring of college graduates and post-secondary students
- Higher limits for student loan repayments
- Recruitment, relocation and retention incentives and special contribution awards
- Eliminating statutory limits on awards and bonuses

The FY2024 budget request supports the Veterans Comprehensive Prevention, Access to Care, and Treatment (COMPACT) Act of 2020 which expanded access to acute suicide care for up to 9 million Veterans who are not currently enrolled in VA. Veterans in acute suicidal crisis will be able to go to any VA or non-VA health care facility for emergency health care at no cost.

Finally, the FY2024 funding request allows VA to leverage every modality available to reach Veterans with timely, appropriate care. As nothing provides quicker access for Veterans than picking up the phone, VA Health Connect is a virtual Clinical Contact Center offering core services (scheduling, administration, clinical triage, virtual clinic visits, pharmacy) to approximately nine million Veterans through highly coordinated teams and technology-driven resources. VA Health Connect offers “The Right Care, Right Now” for every Veteran, regardless of where they live. Through VA Health Connect, Veterans can call 24/7 to talk to a nurse about a health concern, a

medical support assistant to help with scheduling an appointment, a pharmacist to reorder a prescription and, in some cases when clinically appropriate, meet with a provider using a video appointment. Further, we are utilizing Clinical Resource Hubs (CRH) to provide virtual care options to increase access to VHA clinical services for Veterans when local facilities have gaps in care or service capabilities.

20. **Please detail the number of veterans eligible to enroll in the VA healthcare system under each of the PACT Act's expanded eligibility authorities that have enrolled between August 10, 2022, through April 10, 2023, including those who enrolled since October 1, 2022, under the one-year open-enrollment period for toxic-exposed combat Veterans.**

RESPONSE: OIT successfully updated the Veteran Enrollment System the last week of April. Currently, the agency is working to build reporting and validate the information. In June 2023, VHA expects to have the available raw data associated with PACT enrolled Veterans.

21. **How does VHA's strategic planning for long-term budget allocation cater to the changing needs of minority and toxic-exposed veterans, including the implementation of the PACT Act, funding for programs like the Foreign Medical Program, and reciprocity arrangements, while ensuring appropriate use of resources?**

RESPONSE: VHA's strategic planning for long-term budget allocation is primarily driven by the Enrollee Health Care Projection Model (EHCPM). The EHCPM, first developed in 1998, is a sophisticated health care demand projection model that uses actuarial methods and approaches to project Veteran demand for VA health care. These approaches are consistent with the actuarial methods employed by the Nation's insurers and public providers, such as Medicare and Medicaid.

The EHCPM projects enrollment, utilization, and expenditures for the enrolled Veteran population in more than 140 categories of health care services 20 years into the future. Updated annually, the projections are supported by extensive research and analyses of the Veteran enrollee population and the drivers of demand for VA health care. VA program, field, and research staff provide expertise on program strategies and initiatives, the unique needs of the enrollee population, and the VA health care system.

The projections account for demographic and environmental drivers of demand which include enrollee morbidity, transitions between enrollment priorities and new policies, regulations and legislation as implemented. While the impacts of the PACT Act were developed outside of the 2022 EHCPM which informed the FY 2024 budget request, they will be included in future updates of the EHCPM as data becomes available for analysis.

Funding for non-modeled services such as but not limited to the Foreign Medical Program and those involving reciprocity agreements is determined through incorporation of stakeholders and factors including but not limited to Administration guidance, legislation, departmental and/or federal government policy, and economic projections.

VHA will continue to leverage research studies, human-centered design, innovation, and partnerships to enhance understanding of Veteran needs and eliminate disparities and barriers to health, improve service delivery and opportunities to enhance Veterans' outcomes, experiences, and quality of life.

22. What steps and budgetary measures is VA implementing to support and expand the Fourth Mission, and how is VA enhancing transparency, data collection, and collaboration among state and federal agencies to ensure the effective mobilization of resources and optimal care for veterans and civilians during national emergencies and public health crises?

RESPONSE: The Department of Veterans Affairs (VA) is a critical interagency partner in Federal preparedness efforts and disaster operations in accordance with National doctrine and policy. The Secretary's emergency preparedness authorities and responsibilities are codified under P.L. 107-287 and further identified in 38 U.S.C. Section 8117. VA leads the effort for meeting Veterans' needs and fills gaps in community services for Veterans, Service members, or civilians by embedding liaisons in interagency operations, including Federal Emergency Management Agency's National Response Coordination Center and associated emergency or recovery support functions.

To carry out the Fourth Mission, VA leverages statutory authorities, personnel, equipment and infrastructure to support greater resource sharing across the interagency and an expanded Federal government response capacity. At the Department-level, VA's FY24 budget submission supports its Fourth Mission activities, which include:

- Modernizing devolution protocols to implement components of Federal Mission Resilience and to strengthen VA's capability to continue Primary Mission Essential and National Essential Functions necessary for providing Veteran health care and benefits.
- Maintaining and updating alternate operating locations to provide facilities and communications to Out of Area Successors and distributed leadership and support national disaster operations.
- Modernizing emergency and secure communications capabilities.
- Enhancing and operationalizing data-driven, place-based risk assessments and tools to establish a shared understanding of risk to VA's missions, workforce and Veteran communities.
- Establishing common planning scenarios, assumptions and factors to frame enterprise-wide efforts to build, sustain and deliver capabilities needed for

major, catastrophic, or concurrent disaster operations that may require Fourth Mission execution.
- Providing planning, exercise, and capability validation technical assistance.
- Conducting exercises to establish a shared understanding of capability and capacity needed to continue performing VA's primary and mission essential functions, including the Fourth Mission, under any condition regardless of threat or hazard.

Additionally, the Veterans Health Administration (VHA) meets weekly with the Emergency Support Function (ESF) #8, Public Health and Medical Services, interagency community to share best practices, lessons learned, and identify opportunities to strengthen ESF #8 preparedness and response.

VHA is also a strong partner in the Department of Defense (DoD) Military Civilian National Disaster Medical System (NDMS) Interoperability Study. This DoD-led study is being used to identify the issues, needs and best practices of the NDMS. The results and findings of the study will guide Pilot implementation for long-term changes needed to strengthen the NDMS to provide definitive care for combat casualties.

In the areas of data and data collection, VHA is also:

- Continuing to develop the National Surveillance Tool as a definitive source for data collection and visualization.
- Developing Federal Coordinating Center (FCC) readiness reporting, consistent with NDMS bed reporting. This reporting provides a longitudinal view of Federal patient movement capabilities within the NDMS. FCC readiness reports provide updated status regarding, bed availability, throughput, infrastructure and equipment, as well as community stakeholder engagement. Furthermore, the FCC readiness reporting will enable the newly reconstituted Senior Leader Council for Patient Movement the opportunity to strategically evaluate existing capacity against disaster and wartime survivor demands.

Moreover, as identified in the COVID-19 Response Report, VHA has begun implementing the Clinical Deployment Team (CDT) program. The CDT program is a clinically based emergency response resource that assists VA in the continuity of Veteran healthcare and support to communities in times of crisis. VHA developed the CDT program to meet critical needs for on-the-ground clinicians to aid Veterans and their communities. Each Veteran Integrated Service Network will have a team of employees in four clinical areas: Primary Care, Med-Surg, Emergency and Intensive Care. CDTs will:

- Allow VA access to highly skilled and trained clinical staff who can be called upon for emergency management events until the system can be restored with station-level staff.

- Be utilized to stabilize the health care system and/or environment.
- Complement the current DEMPS program, creating robust response capabilities for clinical emergency response.

23. The budget request estimates obligations of about $33 billion for the medical community care account in FY 2024, up from about $30 billion in FY 2023.

a. How much of those obligations in FY 2023 and FY 2024 are for episodes of care initiated in non-VA emergency departments and authorized for reimbursement or payment under 38 USC 1725?

RESPONSE: In 2022, VA obligated $410 million for emergency care in non-VA facilities for Veterans eligible under the Veterans Millennium Health Care and Benefits Act. This is about 1.5% of the total 2022 community care category actuals and was a decrease by $147 million from the $557 million obligated in 2021. As more emergency departments join VA's Community Care Network, the smaller the share of care provided under 38 USC 1725. The 2024 community care category obligation projection of about $33 billion reflects this changing pattern in its unit cost assumption.

24. The FY 2024 budget request includes about $17 billion for the Cost of War Toxic Exposure Fund that would have otherwise come from the Medical Care account.

a. How many VHA employee full-time equivalents would the $17 billion fund in FY 2024?

RESPONSE: The Budget reflects the clear requirements in the PACT Act for the TEF request, which directs that any increases in costs above the FY 2021 level for providing care or benefits associated with exposure to environmental hazards to Veterans should be requested as mandatory TEF funding.

VHA is planning to execute the TEF centrally via de-obligations of local facility costs and re-obligating from the TEF, freeing up discretionary local resources for new medical care purposes. This process will likely be used on initial non-pay obligations, meaning TEF will not likely be obligated on FTE other than for the reimbursement of 13 FTE to the Veterans Experience Office as detailed in the 2024 PB. However, the resulting freed up discretionary resources, in conjunction with the 2024 discretionary request, will enable for increased staffing of 16,983 Medical Care FTE in 2024.

25. The FY 2024 budget request projects a 2.4% increase in Global Relative Value Units (RVUs), which represent the total resource requirements to provide VA health care, as compared to FY 2023. Despite this modest increase in Global RVUs, outpatient care for FY 2024 is projected to be 5.8% lower than what was projected for FY 2023, and inpatient care is projected to be nearly 17% less

than what was expected for the FY 2023 budget. Despite the modest increase in Global RVUs and reduction in outpatient and inpatient care relative to what was funded for FY 2023, the FY 2024 budget request would increase funding for medical care by 11% over the prior year.

a. **Please provide a detailed explanation for why VHA is requesting such a large funding increase (11%) when the projected resource requirement increase is far less (2.4%).**

RESPONSE: The GRVU table on page VHA-44 excluded the influence of PACT Act, which is displayed on page VHA-46. With the projected impact of PACT Act, the projected GRVU growth is 3.5% in 2024. GRVUs depict workload from the EHCPM rather than all VA workload such as CHAMPVA claims and Caregiver stipends. After excluding other health care programs, State Homes, and Non-Recurring Maintenance from total obligations displayed on page VHA-34, the 2024 obligation growth is 8.7%, driven largely by the proposed Federal pay raise of 5.2% and new pay authorities provided in the RAISE Act and Title IX of the PACT Act.

Questions for the Record

Department of Veterans Affairs (VA)
Questions for the Record (QFR)
Committee on Veterans Affairs
United States Senate
Review of the Fiscal Year (FY) 2024 Budget and
2025 Advance Appropriations Requests

May 17, 2023

Questions for the Record from Senator Thom Tillis:

Question 1: The VA's FY 2023 request included $4.8 billion for telehealth treatment; part of which originates from the Commander Hannon Act of 2019. What is the status of the advancements and increased accessibility made to the VA's telehealth offerings?

VA Response: Telehealth made care more accessible and convenient by expanding VA's reach beyond the traditional office visit to connect with Veterans where they are located. Many Veterans prefer the comfort and convenience of accessing care from home, particularly for mental health appointments. Since the pandemic began, there has been widespread, sustained demand for VA telehealth services. During the last 3 fiscal years, VA provided Veterans with over 27.9 million telehealth episodes of care. Today, approximately one in three Veterans who use VA for care access part of that care through telehealth.

In FY 2022, 2.3 million Veterans participated in over 11.0 million episodes of telehealth care. Examples of key FY 2022 telehealth initiatives that enhance access and care include:

- Video telehealth visits to the Veteran's home or mobile device: Over 1.7 million Veterans used VA Video Connect, VA's secure video conferencing platform, to receive VA health care through 9.2 million video telehealth visits. This included nearly 6 million video visits to provide mental health care to more than 1 million Veterans.

- Asynchronous Telehealth: Over 450,000 Veterans received VA health care through 500,000 visits across 29 clinical specialties.

- Remote Patient Monitoring–Home Telehealth program: Over 130,000 Veterans enrolled in the program to use remote monitoring technologies to regularly share their vital signs and other health information from their homes with their VA care teams.

- Suicide Prevention (SP) 2.0 Clinical Telehealth Program has built an enterprise-wide infrastructure and capacity for the implementation of evidence-based

suicide prevention psychotherapy and interventions for Veterans with a history of suicidal self-directed violence. VHA Office of Mental Health and Suicide Prevention partnered with the VHA Clinical Resource Hub (CRH) initiative to establish VISN-level psychotherapy teams who provide virtual care to Veterans at 100% of the 139 VA Health Care Systems within the United States.

- As of the 4th quarter of FY 2023, VISN CRH teams had 105 therapists onboard across all 18 VISNs; 99% of these staff have been trained in 2 or more suicide prevention Evidence-based Psychotherapies (EBP), 87% have been trained in 3 or more EBPs, and 35% have been trained in all 4 EBPs.

- In FY 2023, SP 2.0 Clinical Telehealth expanded consult volume by 45%, with a total of 7,236 consults, including a 36% increase in Veterans engaged in Cognitive Behavioral Therapy for Suicide Prevention, and a 58% increase in Veterans engaged in Problem Solving Therapy for Suicide Prevention. Evaluation has shown reductions in suicidal ideation, depressive symptoms, and hopelessness, and increases in suicide-related coping following treatment.

VA telehealth maintained high Veteran satisfaction and trust scores with more than 85.0% of Veterans reporting that they trust VA telehealth as part of their care in 2022. VA continues to see growth in Veteran satisfaction with video-to-home, with 87.4% of Veterans reporting that they felt satisfied with their video-to-home visit in 2022. Veterans who have completed a video visit prefer video over other modalities (that is,49% for video versus 28% in-person, 5% telephone, and 18% no preference).

Telehealth is used to enhance VA health care services. Currently VA delivers telehealth care in over 50 clinical specialties. Across these specialties, VA uses telehealth to complement and extend traditional in-person care. VA is using its telehealth funding to invest in key strategies that enhance the accessibility of VA health care as well as sustain existing levels of service.

- CRHs: VA uses telehealth to increase access to primary care, mental health, and specialty care services in rural and identified underserved areas. VA has CRHs in 18 clinical networks. CRHs provide services that help address access needs and health care disparities in rural communities and other parts of the country where health care resources are limited. CRHs offer primary care and mental health services primarily via telehealth modalities and include robust team-based care. In 2023, CRHs expanded with an 18% growth in dedicated staff, offering over 30 distinct types of clinical services to include pain management, cardiology, and rehabilitation. Since inception, the CRHs have served over 633,000 Veterans with over 2 million visits.

- TeleCritical Care: VA's TeleCritical Care program uses telehealth to connect intensive care units with intensive care nurses and physician specialists, enabling remote monitoring, assessment, and treatment. As of January 2023, TeleCritical Care is live in 74 VA facilities, which includes 1,109 Intensive Care Unit beds.

- Digital Divide Consultations: VA developed a digital divide consult process in the electronic medical record to assist Veterans who do not have access to internet services, or the technology needed for telehealth. Through the digital divide consult process, Veterans can receive an internet-connected device from VA or assistance in applying for an internet discount administered by the Federal Communications Commission (for example, Lifeline or Affordable Connectivity Program) for their own device or services. Over 135,000 digital divide consults have been completed since the beginning of FY 2021. VA distributed more than 110,000 internet-enabled tablets to Veterans to ensure they have access to their VA health care services. Peer reviewed evidence demonstrates the value of VA's digital divide efforts with observed reduction in suicide behavior and Emergency Department visits, increased engagement and continuity of Veterans in psychotherapy, and Veteran-reported cost and time savings associated with use of VA loaned tablets.

In addition to the above programs, VA undertook several initiatives to facilitate access to care by telehealth in FY 2022. These included:

- Commenced a Caregiver Connect campaign to educate Veterans and their caregivers of the option for caregivers to be included in the scheduling step of a video visit;

- Completion of the audio dial-in feature to VA Video Connect, enabling Veterans living in a broadband or cellular poor environments to join group video sessions by phone;

- National release of MyVA Images, which is a mobile application enabling Veterans to asynchronously share high resolution images and short video clips with their VA clinical team; and

- Continued evaluation of how best to establish and leverage community-based telehealth access points for Veterans through its Accessing Telehealth through Local Area Stations program.

The VA health care system of the future will blend virtual care and traditional in-person care so that Veterans can conveniently access the health care they need, wherever they are. In the immediate future, VA is focusing on increasing telehealth offerings, both at ambulatory outpatient sites and into the home, while maintaining high-quality patient care and standardizing existing telehealth services.

Question 2: The VA's Mental Health Care account received $6.96 billion in 2014. The request for FY 2024 is $16.59 billion. Despite funding increases, approximately 17 Veterans commit suicide each day, a figure that has remained relatively constant for two decades. What improvements have been made and can

be expected from a more than two-fold increase in the Mental Health Account over the last 10 years?

VA Response: One Veteran suicide is one too many, and VA is committed to Veteran suicide prevention. VA Suicide Prevention has made significant improvements over the past 10 years with the assistance of Congressional support, authorizations, and appropriations. These improvements have bolstered interventions for Veterans in crisis across our Nation.

Congressional appropriations have included allocations dedicated to increased Veterans Crisis Line (VCL) staffing to ensure timely and skilled management of crisis calls following the national launch of 988 Press 1, publication of an annual national report on Veteran suicide, launch of the Staff Sergeant (SSG) Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP) in 2022, local facility outreach and community engagement funding in 2021, suicide prevention research, consultation, provisions of evidence-based care and the creation and implementation of other aspects of the VA 2018 National Suicide Prevention Strategy.

While the average number of Veteran suicides per day remained relatively stable from 2001 to 2021, rising from 16.4 in 2001 to 17.5 in 2021, this data point fails to account for changes in the size of the Veteran population. VA's 2023 National Veteran Suicide Prevention Annual Report (https://www.mentalhealth.va.gov/docs/data-sheets/2023/2023-National-Veteran-Suicide-Prevention-Annual-Report-FINAL-508.pdf) provides extensive information regarding Veteran suicide rates. The report, which was VA's 8th annual suicide report to date, documented that from 2001 to 2021, rates of death by suicide among Veterans that utilized any level of VHA care the year of, or prior to, their death increased by 40%, which is compared to 74% (73.7%) increase among other Veterans. While death by suicide rates have increased across the Nation between 2001 and 2021, the fact that those rates have been significantly less among Veterans engaged in VHA care (overall) is compelling. Suicide remains a growing problem for all Americans.

VA Suicide Prevention administers a comprehensive strategy to eliminate Veteran suicide, including coordination across VA services and in collaboration with Federal, tribal, state, and local governments. VA remains engaged in the implementation of targeted actions, informed by evidence-based data and the strategy for critical expansion and improvement to suicide prevention, which include:

- VCL launched in 2007 with four staff members, taking their first call on July 25, 2007. In their initial year, VCL answered 9,379 calls. Since then, the VCL has received more than 7.2 million calls, over 342,000 texts, more than 885,000 chats, and VCL has provided care coordination for more than 1.4 million connections to VA Suicide Prevention Coordinators at VHA facilities across the country. VCL has completed extensive hiring over the last 10 years, and currently employs over 1,849 full-time employees. These staff provide 24/7 crisis support to Veterans.

- Since 2007, VCL has accomplished the following: launched their online chat program on July 4, 2009; introduced VCL brand in 2010; launched their text number (838255) in November 2011; increased the number of Crisis Responders by 50% in 2012; launched the Caring Letters Program in 2020; and launched a Peer Support Outreach Program in 2021. To support the implementation of Dial 988 then Press 1, VCL was approved for an expanded organizational chart in March 2021, increasing the approved Full Time Employees (FTE) by 460. In January 2022, VCL was authorized an organizational chart of 2,568 FTE, an increase of 1,073. In response to the Coronavirus 2019 (COVID-19) pandemic, VCL transitioned to a remote workforce in April 2020. During FY 2021, VCL began hiring for exclusively remote positions. As a result, the number of applicants received for positions increased significantly, from between 10 and 60 applicants per announcement to over 120 applicants per announcement.

- On July 16, 2022, the VCL launched Dial 988 then Press 1, which has significantly expanded its reach. For FY 2024, call volume has increased by 24%, text volume has grown by 65% and chat volume is up 7% when compared to levels prior to 988 implementation. VCL manages an average of 2,461 calls, 191 texts, and 273 chats per day, making 24/7/365 crisis care available to Veterans, Service members, family members, and concerned parties. Despite significant workload increases, VCL maintains an average speed to answer rate of 9.5 seconds for 99% of calls. Expanded customer service training has been provided to responders to better serve LGBTQ+, American Indian/Alaska Native, and other high-risk Veteran sub-population needs.

- Since the June 2020 launch of Caring Letters, an evidenced-based mailing intervention, VCL has mailed Caring Letters to over 285,000 unique Veterans and mailed over 2.14 million letters (each Veteran receives 10 letters over the course of a year). Over 167,000 Veterans have completed the full 12-month intervention.

- In 2019, VA began implementation of Executive Order 13861: The President's Roadmap to Empower Veterans and End a National Tragedy of Suicide (PREVENTS). VA established a 3-year task force, which submitted a roadmap to the President that included 10 overarching Recommendations and 46 Agency Actions for prevention of Veteran suicide. As required by the Executive Order, the task force was terminated in June 2022, after successful implementation and monitoring of the roadmap. Notable accomplishments of PREVENTS include: two national public awareness campaign for Veterans' suicide prevention and lethal means safety, Mission Daybreak, and the SSG Fox SPGP. VA continues several ongoing efforts through both VA and the Interagency Task Force for Military and Veteran Mental Health in alignment with the overarching National Strategy for Prevention Veteran Suicide of 2018 and the White House National Strategy to Reduce Military and Veteran Suicide, which was released in 2021.

    - In FY 2023, VA distributed more than 1.1 million gun locks across the enterprise, including 706,700 distributed outside of VA.

- In 2021, VA developed specialized suicide prevention focused clinical telehealth programs to provide direct access to evidence-based suicide prevention treatments administered by more than 100 clinicians Nationwide to address the access needs of Veterans.

- VA has expanded implementation of community-based suicide prevention efforts, with Governor's Challenge in all 50 states and 5 territories, and locally with more than 1,800 coalitions, all working in an evidence-informed model toward ending Veteran suicide.

- Suicide prevention has 3 concurrent national outreach and educational awareness campaigns that collectively received more than 2 billion impressions, greater than 200 million views, and approximately 9.5 million website visits. These campaigns offer information to both Veterans and non-Veterans on various suicide prevention strategies.

The SSG Fox SPGP was launched in September 2022, as a 3-year grant program to strengthen local community capacity to outreach and engage at risk Veterans and their families to provide suicide prevention services and linkage to needed resources. In the first year, 80 community organizations were awarded $52.5 million across 43 states, Washington, D.C., American Samoa, and 21 native nation sites to provide suicide risk screening, prevention and early intervention supports, provision of services for emergency treatment, case management services, and peer support. In September 2023, VA announced a second round of grant awards for FY 2024 services totaling $52.5 million to 77 current grantees and 3 new grantees, including expansion to Guam. As of September 30, 2023, grantees have completed over 16,500 outreach contacts and engaged over 3,200 participants. Grantees have successfully intervened for many who are on a pathway to risk, as the program takes an upstream approach to reach Veterans with some, but not necessarily acute, risk for suicide.

VA annually updates its Suicide Prevention NOW (SP NOW) plan, which focuses on short-term (1 year) progressive benchmarks that drive efforts for reducing Veteran suicide. The NOW Plan priorities for 2024 include LMS, suicide prevention in at-risk medical populations, outreach and understanding prior and non-VHA users, suicide prevention program enhancements, and media campaigns.

Question 3: Secretary McDonough, your testimony states you are leveraging social media and posting YouTube videos to provide easy-to-read information on the PACT Act. What social media apps specifically, is VA using to conduct outreach?

VA Response: VA's award-winning digital campaign for the Honoring our PACT Act of 2022 (the PACT Act) ran on Facebook, Instagram, X (formerly Twitter), YouTube, LinkedIn, as well as on Google, Bing, Pandora, Spotify, iHeartRadio, Roku, and Hulu. PACT Act information has also been shared on VA's "theSITREP"

(https://www.youtube.com/@DeptVetAffairs/search) series (and other VA YouTube channels). VA moderated several live PACT Act Q&A sessions via Twitch, Facebook, and Instagram. All VA social media channels (https://digital.va.gov/web-governance/social-media/social-media-sites/)–Facebook, Instagram, X (formerly Twitter), and YouTube–have regularly featured PACT Act information.

Question 4: A few weeks ago, you came to my office and provided my staff and I with an update on PACT Act Implementation and other issues. In one of the slides, you showed that the actual backlog was less than projected models. At this point in time, is the backlog inventory still below the projected models? What is the current backlog inventory?

VA Response: In FY 2023, VA processed 1.98 million total Veteran claims, which surpasses last year's record total by 16%. This marks the third year in a row that VA has set a record for the most claims processed in our Nation's history. Also, in FY 2023, VA awarded more than $138 billion in mandatory, Compensation and Pension benefits to Veterans, an increase of 17% over last FY and more than any other year in VA history. As of September 30, 2023, the backlog inventory was at 303,307, which is 28% of total inventory, compared to 70% in 2013–the last time inventory was nearly this high. VBA workload projections continue to anticipate that the backlog is going to increase in the 2023-2024 timeframe between 450,000 and 730,000 claims and then stabilize to a level of around 100,000 or less in 2025. This projection is dependent on the rate of Veterans filing new and reopened claims stemming from the PACT Act, our continued hiring/training success, as well as a variety of other factors to include our adoption of increased use of technology, claim complexity, and the number of conditions within each of those claims. While claims are surging due to the PACT Act and VA's aggressive outreach campaign, VA is working through those claims at record rates.

Question 5: As you're aware, I sponsored a bill, called the VA INFO Act that would require VA to provide responses to QFRs within 45 days and if the Department wouldn't be able to meet that goal, you all would need to provide an explanation as to why the suspense was not met. I sent QFRs for the EHRM hearing on March 22. Looking at the calendar, we are past the 45-day mark. Please provide an explanation as to why VA has not yet provided a response? If it's because there are many levels of clearances to go through, can you provide a justification as to why each level is necessary or required? Please cite policy or statute.

VA Response: VA recognizes Congress's oversight responsibilities and understands the need for timely and transparent communications with Congress. QFRs from the March 15, 2023, Senate Veterans Affairs Committee Electronic Health Record Modernization (EHRM) hearing were submitted to Congress during May 2023.

VA acknowledges the importance and need for a balance between thorough review and timely responses. VA is dedicated to upholding the highest standards of accuracy and integrity in the information we disseminate.,

Question 6: How many employees are at VACO and of those, how many are still teleworking more than twice a week?

VA Response: VA has over 450,000 employees spread across the country. The number of employees at VA Central Office (VACO) fluctuates between 1-2% of the total VA workforce. Many VACO employees are in positions suitable for telework and are telework-eligible. Telework readiness was transformative in allowing VA to continue operations during the COVID-19 pandemic and other building closures or weather emergencies. In October 2023, VA transitioned to structured hybrid work schedules for non-bargaining unit telework-eligible employees in the National Capital Region requiring them to report to worksites for at least five days per pay period.

All employees who telework are required to have telework agreements in place, utilizing VA Form 0740. Telework agreements are signed by the employee and their supervisor. VA's personnel system of record captures this telework information (currently HR Smart). In 2023, the Office of Personnel Management (OPM) implemented new telework and remote work data elements to improve Government-wide reporting. HR Smart was configured to comply with these new requirements. VA reviews telework and remote work data quarterly, directs employees and supervisors to review their telework information at least once a year, and reports date to OPM annually to maintain accurate data.

Questions for the Record from Senator Tommy Tuberville:

Question 1: Through passage of the PACT Act, the Toxic Exposure Fund was established to support health and benefit services for veterans exposed to toxins while serving in the military.

The FY 2024 requested level for medical care in the Fund is $17.1 billion, up 348% from the FY 2023 enacted level. The FY 2024 requested level for information technology systems is up 89% at $1.2 billion, compared to last year's enacted level.

Does the VA have a handle on how much spending should be counted against the Fund every year or should this committee expect significant jumps in funding every year, especially given the Congressional Budget Office did not anticipate the Fund hitting $20 billion until FY 2030?

VA Response: The Committee should expect a budget request commensurate with the needs of Veterans. Congress appropriated $24.455 billion in the Cost of War Toxic Exposures Fund (TEF) for FY 2025 through the Fiscal Responsibility Act of 2023 (PL 118-5). VA is now working with OMB to prepare the FY 2025 budget request, which will also have an advance appropriation request for FY 2025 funding for medical care. In the Analytical Perspectives of the FY 2024 President's Budget, OMB provides out-year estimates for budget authority for the TEF. See Table 25-1, the Federal Budget by Agency and Account, page 341, https://www.whitehouse.gov/wp-content/uploads/2023/03/25-1_fy2024.pdf.

Question 2: Does the VA have an estimate of how much VHA funding is being used to facilitate the VA interim final rule on reproductive services, published September 9, 2022?

VA Response: This information was set out in the Regulatory Impact Analysis that accompanied the interim final rule (87 Federal Register 55287).

Question 3: How does this budget support suicide prevention efforts and how does this year's request differ from previous budget requests? What outcome measures of existing programs or medical care does the VA consider when determining funding amounts for suicide prevention programs?

VA Response: Suicide Prevention Outreach Program (FY 2023 compared to FY 2024) received a $55.1 million increase to support efforts. The President's Budget line-item changes from FY 2023 to FY 2024 provide further information on VA's suicide prevention budget requests, which include:

- VCL: $44.5 million increase in FY 2024 compared to FY 2023. This increase was related to staffing and management of 988 then Press 1 expansion and volume of customer engagements.

- National Suicide Prevention Strategy Implementation: $1.2 million increase in FY 2024 compared to FY 2023. The funding increase accounts for contracting, research and associated operational costs.

- Suicide Prevention Demonstration Projects: $2.9 million increase in FY 2024 compared to FY 2023. This includes research and innovation program concepts to advance early intervention, prevention, education, and outreach of at-risk Veteran subpopulations, as well as including integrated mental health providers in non--mental health settings to reach the approximately 40% of Veterans that die by suicide and do not have a mental health diagnosis.

- Suicide Prevention 2.0 Initiative: $6.9 million decrease in FY 2024 compared to FY 2023. This decrease is accounted for, in part, by the breakout of Governors Challenge funding to an independent President's Budget line item.

- VA Governors Challenge: $10.0 million increase. Previously funded within Suicide Prevention 2.0 in prior year.

- Centers of Excellence: $628,000 increase in FY 2024 compared to FY 2023. This includes the Rocky Mountain Mental Illness Research, Education and Clinical Center, Serious Mental Illness Treatment Resource and Evaluation Center and VA's Centers of Excellence and encompasses suicide prevention research, mortality data reviews, consultation services, and interagency suicide prevention research collaborations.

- Local Facility and Community Outreach Suicide Prevention Activities: no change in FY 2024 compared to FY 2023.

- SSG Fox SPGP: $174,000 decrease in FY 2024 compared to FY 2023. Grantee awards remain $52.5 million for each of the 3 distribution years (FY 2023-20-25).

- Suicide Prevention Coordinators and Teams: $2.9 million increase in FY 2024 compared to FY 2023.

VA Suicide Prevention tracks multiple and broad reaching measures when determining funding priorities and amounts for suicide prevention programs, including (but not limited to):

- Mental health population coverage, care continuity, experience of care composite metrics found in VA Strategic Analytics for Improvement and Learning.

- Mental health and suicide prevention staffing ratios (comparing the staffing level to demand for services).

- Training needs of both internal VA staffing and Federal, state, and community resources.

- Suicide prevention specific program performance such as ambulatory care (including emergency departments) suicide risk screening and evaluation, safety planning, Recovery Engagement and Coordination for Health (REACH) Veterans Enhanced Treatment (VET) (for the engagement of the highest risk Veteran groups), access to mental telehealth services, post-discharge (from mental health inpatient care) engagement rates for known high-risk populations.

- Outreach campaign measures of impact (support tool completions, resource selections, conversions to phone/chat/text, resource locator uses, impressions, completed video views, social engagements, website visits and donated media value).

Question 4: How is the VA able to project staffing and budgetary needs to support Veterans enrolling in health care under PACT Act authorities, given there is no mechanism to track which Veterans are enrolling directly because of the avenues provided in the PACT Act?

VA Response: The TEF, created by the PACT Act (P.L. 117-168 § 805), authorized Congress to fund increased costs above the FY 2021 level for health care and benefits delivery for Veterans exposed to any number of environmental hazards, such as burn pits in Iraq and Afghanistan or Agent Orange in Vietnam. It is not limited to Veterans who enroll because of an authority added by the PACT Act. VA projected associated health care costs from exposure to environmental hazards of existing Veterans or Veterans who were already projected to enroll by applying a proxy to the baseline actuarial model projection for deployed populations. The same proxy was also applied to Veterans projected to enroll or migrate to higher Priority Groups as a result of PACT Act titles I, III, and IV. The proxy was developed using an analysis of Priority Group 6 Veterans described below:

Analysis: Priority Group 6 Veterans are enrolled in both Priority Group 6 and in either Priority Group 7 or Priority Group 8, as applicable, pursuant to 38 C.F.R. § 17.36(d)(3)(iii). For any care that VA cannot find to have resulted from a cause other than the service, testing or activity that resulted in the exposure to environmental hazards, VA furnishes this care without copayment liability pursuant to 38 U.S.C. § 1710(a)(2). For any care VA can find to have resulted from a cause other than the service, testing, or activity that resulted in the exposure to environmental hazards, VA furnishes this care pursuant to 38 U.S.C. § 1710(a)(3), which requires the Veteran to pay copayments as required by 38 U.S.C. § 1710(f) and (g). This process is required by 38 U.S.C. § 1710(e)(2)(A) and (B), which generally prohibit VA from furnishing care and services under 38 U.S.C. § 1710(a)(2)(F) for conditions that are found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure, service, testing, or activity. Eligibility under 38 U.S.C. § 1710(e)(1) is limited by paragraph (2); 38 U.S.C. § 101(38) defines

the term toxic-exposed Veteran to mean any Veteran described in § 1710(e)(1). While § 324(c)(1) refers to the delivery of Veterans' health care associated with exposure to environmental hazards, we believe interpreting this to refer to toxic exposed Veterans under 38 U.S.C. §§ 101(38) and 1710(e)(1) is consistent with that language. In this context, using the proportion of care furnished without copayment to Priority Group 6 Veterans seems the most fitting approach to determining what care is associated with exposure to environmental hazards.

The proportion of care provided to Priority Group 6 Veterans that is not subject to copayment liability provides a reasonable estimation for the proportion of care associated with environmental hazards. VA selected this proxy because most Veterans in this Priority Group are eligible due to exposure-related reasons (see 2 and 3 on the list below):

- Priority Group 6 (from 38 C.F.R. § 17.36(b)(6):

    1. Veterans of the Mexican border period, of World War I, or World War II (effective March 31, 2023);

    2. Veterans solely seeking care for a disorder associated with exposure to a toxic substance or radiation, for a disorder associated with service in the Southwest Asia theater of operations during the Gulf War (the period between August 2, 1990, and November 11, 1998), or for any illness associated with service in combat in a war after the Gulf War or during a period of hostility after November 11, 1998, as provided and limited in 38 U.S.C. § 1710(e);

    3. Camp Lejeune Veterans pursuant to 38 C.F.R. § 17.400; and

    4. Veterans with 0% service-connected disabilities who are nevertheless compensated, including Veterans receiving compensation for inactive tuberculosis.

VA recognizes that this methodology, like all methodologies, has certain imperfections. The methodology does not account for the differences between Priority Group 6 Veterans and those in higher Priority Groups. For example, utilization of VHA medical care by Veterans in Priority Group 6 is less than half of that for Veterans in Priority Groups 1-3, and the latter may be eligible for multiple, more costly services not offered to many Veterans in Priority Group 6 (for example, long term care). VA has not conducted an analysis to confirm that all Priority Group 6 non-billable services are related to hazardous exposure as opposed to other copayment exemptions (for example, preventive care or care pursuant to a special authority). Despite these recognized and accepted imperfections, the proposed methodology has certain advantages that make it useful and led OMB and VA to determine this would be the best methodology.

Use of the Priority Group 6 proxy offers several advantages over other considered alternatives. VA considered utilizing patient treatment files to identify patients being treated for certain diseases or conditions related to toxic exposure, likely through the International Classification of Diseases, 10th Edition (ICD-10) codes. Then, VA could calculate the marginal cost to deliver the workload tracked in VHA's clinical datasets as related to the identified ICD-10 codes. This marginal cost would represent the value of care delivered. However, the clinical community in VHA was reluctant to develop such a list, particularly as the PACT Act authorizes a new methodology by which additional diseases and conditions can be presumed to have resulted from toxic exposure. They further cautioned against a policy that would distract clinical staff by introducing new bookkeeping requirements to be managed concurrently to patient interactions. Diagnosis codes are maintained in a separate system from other financial data, increasing the possibility of introducing error when aligning cases across disparate systems. Referring only to diagnostic codes could also result in the inclusion of Veterans, or the care of Veterans, which is unrelated to toxic exposure. Some toxic exposures, in particular exposure to contaminated water at Camp Lejeune, have identified conditions for which care and services can be provided, including conditions like esophageal cancer or female infertility. Blanket use of a diagnostic code for either of these conditions could include Veterans with these conditions who were not toxic-exposed Veterans.

Questions for the Record from Senator Jerry Moran:

Question 1: Please provide the total obligations for FY 2021 and FY 2022 for emergency care in non-VA facilities under each of sections 1703, 1725, 1728, and any other applicable authority for paying or reimbursing the cost of such care. Please also provide the number of unique Veteran patients treated under each of those authorities. In addition, please also provide the projected obligations under each authority for non-VA emergency care for FY 2023, FY 2024, and FY 2025.

VA Response: VHA's costs to furnish care at community care providers is included below. Please note that the data provided is from VA's claims processing system and is provided in lieu of obligations as this allows VA to better reflect the true emergency care episodes of care costs, including associated inpatient care.

Table 2: Community Care Costs for Emergency Care by Payment Authority ($ in thousands)

FY	Section 1703	Section 1725	Section 1728	Total
2021	$ 5,975,994	$184,003	$ 228,116	$ 6,388,113
2022	$ 6,880,396	$126,315	$ 230,273	$ 7,236,984
2023	$ 7,664,887	$ 90,993	$ 218,037	$ 7,973,917
2024*	$ 8,538,825	$ 65,548	$ 206,452	$ 8,810,825
2025*	$ 9,512,408	$ 47,218	$ 195,482	$ 9,755,108

*Note: FY 2024 and FY 2025 are a simple projection based on incurred costs and on year over year growth from FY 2022 to FY 2023.

Table 3: Community Care Total Unique Patients for Emergency Care by Authority

FY	Section 1703	Section 1725	Section 1728	Total*
2021	567,785	70,515	47,550	648,318
2022	660,464	50,769	45,213	723,039

*Note: The unique patient counts under the 'Total' column is lower than the sum of the values for section 1703, 1725, 1728 as patients may have received services under multiple authorities.

Question 2: Please provide the total obligations for FY 2021 and FY 2022 for emergency transportation costs associated with emergency care in non-VA facilities under each of sections 1703, 1725, 1728, and any other applicable authority for paying or reimbursing the cost of such care.

VA Response: VHA's emergency transportation costs associated with emergency care at community care providers is included below. Please note that the data provided is from VA's claims processing system and is provided in lieu of obligations. Additionally, emergency transportation costs associated with emergency care provided under the section 1703 authority are paid under VA's beneficiary travel authority, 38 U.S.C. § 111.

Table 4: Emergency Transportation Costs Associated with Emergency Care at Community Providers by Authority ($ in thousands)

FY	Section 1703* (Paid under 38 U.S.C. § 111)	Section 1725	Section 1728	Total*
2021	$495,342	$8,494	$40,567	$544,404
2022	$763,131	$6,684	$48,355	$818,170

Questions for the Record from Senator Dan Sullivan:

Question 1: Were any concerns regarding the lack of attorney fee caps in the Camp Lejeune Justice Act raised to the VA during its consideration in the House and Senate?

VA Response: VA assisted the Department of Justice (DoJ) in their drafting of technical assistance on the Camp Lejeune Justice Act (CLJA) but did not provide an official Department position on the CLJA. VA did note the lack of attorney fee caps in the draft VA reviewed, however, the substance of VA's input focused on the offset component of the legislation.

Question 2: What role did the VA have in crafting the Camp Lejeune Justice Act? Did the VA provide formal or informal technical assistance? Was the VA aware that there were no attorney fee caps included in the final legislation?

VA Response: VA had no role in crafting the CLJA. As noted in our response to question one, VA did provide assistance to DoJ in the technical assistance they offered on the bill.

Question 3: At the time of passage of the PACT Act, was the VA concerned about the lack of attorney fee caps?

VA Response: VA did not provide official Department views on the lack of attorney fee caps as it relates to the PACT Act.

Question 4: Is the VA aware that the Department of Justice (DOJ) submitted technical assistance outlining the need for attorney fee caps? Did the VA receive this technical assistance prior to enactment of the PACT Act?

VA Response: VA assisted DoJ in their draft technical assistance on the CLJA but did not provide an official Department position on the CLJA. VA did note the lack of attorney fee caps in the draft VA reviewed, however, the substance of VA's input focused on the offset component of the legislation.

Question 5: Is the VA aware that Senate Republicans expressed concern about the lack of attorney fee caps, so much so that Senator Inhofe submitted an amendment to the PACT Act that mirrored DOJ's technical assistance regarding fee caps?

VA Response: VA did not provide technical assistance to amendments to the PACT Act nor has VA provided Department views on proposed amendments to the PACT Act.

Question 6: Do you agree with the DOJ that a victim compensation fund would have been more beneficial for our veterans than the current process established by the Camp Lejeune Justice Act?

VA Response: VA assisted DoJ in their draft technical assistance on the CLJA; the substance of VA's input focused on the offset component of the legislation. VA did not provide an official Department position on the CLJA.

Question 7: How would victims of Camp Lejeune have likely benefitted under the DOJ's recommendations submitted as part of their technical assistance?

VA Response: VA defers to DoJ for views on this issue.

Question 8: Has the VA heard from veterans with concerns about excessive attorney fees since the PACT Act was passed?

VA Response: Shortly after the PACT Act was passed, the Department's Office of General Counsel (OGC) received a few complaints alleging unreasonable and/or unauthorized fees being charged for claims under the CLJA. OGC reviewed the complaints, including the attached fee agreements denoting such fees, and determined that the complaints did not involve VA benefits but solely CLJA claims, which are filed with the Department of the Navy and may be pursued in the U.S. District Court for the Eastern District of North Carolina. OGC clarified the matter for the complainants and advised that they reach out to DoJ per the designated hotline.

Question 9: According to information provided by the United States Navy, there are currently 20,000 cases filed as a result of the Camp Lejeune Justice Act, with claims exceeding $10 million or more. These claims have drawn potential contingency fees as high as 50 percent. Does the VA believe that 50% contingency fees are appropriate for Camp Lejeune cases?

VA Response: VA has not provided official Department views on the CLJA. VA is aware that DoJ has published guidance on its website regarding fee caps applicable to CLJA claims: https://www.justice.gov/civil/camp-lejeune-justice-act-claims.

Question 10: Does the VA believe that contingency fees of 40-50% are fair for veterans that file Camp Lejeune Justice Act claims for health complications resulting from ingesting contaminated water?

VA Response: VA has not provided official Department views on the CLJA. As noted above, VA is aware that DoJ has published guidance on its website regarding fee caps applicable to CLJA claims.

Question 11: Some members of Congress have stated that Camp Lejeune cases are risky for lawyers, therefore they need higher contingency fees for their risk. Do you agree that in waiving the statute of repose and in accepting the body of scientific data demonstrating there are health complications related to exposure to contaminated water at Camp Lejeune, claimants are much more likely to succeed in their claims than had those two items not been statutorily conceded?

VA Response: VA defers to DoJ for views on this issue.

Question 12: Have other veteran's cases against the federal government waived the statute of repose?

VA Response: VA defers to DoJ for views on this issue.

Question 13: How does the burden of evidence compare to other cases in which veterans have sued the federal government?

VA Response: We defer to DOJ for views on this issue.

Question 14: What percent of veterans that file Camp Lejeune Justice Act claims should expect a payout?

VA Response: VA defers to DoJ for views on this issue.

Question 15: Does the VA believe that attorney fee caps are an appropriate mechanism to ensure veterans are not taken advantage of?

VA Response: VA has not provided official Department views on the CLJA. VA is committed to examining all mechanisms available to ensure Veterans are not taken advantage of. As noted above, VA is aware that DoJ has published guidance on its website regarding fee caps applicable to CLJA claims.

Question 16: The Navy submitted a white paper to me stating that the average claim filed exceeds $10 million. Each of the awarded claims will be offset by health care utilization. Given this information, can you estimate what an average claim would result in for attorney's fee, assuming a 20% offset on average, for both 17% and 33%?

VA Response: VA defers to DoJ for views on this issue.

Question 17: When did the VA first become aware of predatory law firms taking advantage of veterans filing claims relating to the Camp Lejeune Justice Act?

VA Response: Shortly after the PACT Act was passed, OGC received a few complaints alleging unreasonable and/or unauthorized fees being charged for claims under the CLJA. OGC reviewed the complaints, including the attached fee agreements denoting such fees, and determined that the complaints did not involve VA benefits but solely CLJA claims, which are filed with the Department of the Navy and may be pursued in the U.S. District Court for the Eastern District of North Carolina. OGC clarified the matter for the complainants and advised that they reach out to DOJ per the designated hotline.

Question 18: Has the Veterans Experience Office conducted research or collected data on the quality of the law firms currently filing Camp Lejeune Justice Act cases? Do any of these law firms have a history of exploiting veterans or individuals with higher than normal contingency fees?

VA Response: The Veterans Experience Office (VEO) has not conducted research or collected data on the quality of the law firms currently filing CLJA cases.

Question 19: What oversight is the VA conducting to ensure claims related to the Camp Lejeune Justice Act are being handled expediently so as not to prompt claimants to seek out predatory law firms?

VA Response: While VA does not have jurisdiction over claims filed specifically under the CLJA, VA is currently working with the Office of the Secretary of Navy to support their implementation efforts including providing requested documents from VA claims folders and sharing best practices on implementing a strong claims adjudication process with necessary oversight. VA has proactively scanned more than 3.2 million Official Military Personnel Files (OMPF) since 2020, and currently scan OMPFs related to active claims on the same business day they are delivered from the National Personnel Records Center (NPRC). VA-led projects since 2015, such as File Bank Extraction and the Records Management Center Extraction, digitized nearly 8 million records and positioned VA to operate in a more-modern, digital environment. These digitization efforts support rapid delivery of records to DoJ). VBA has established a working group with DoJ, NPRC, and the Veterans Health Administration (VHA) to coordinate the delivery of responsive records in support of CLJA litigation. VBA is leveraging its scanning solution that is currently located at the NPRC to scan and deliver OMPFs in support of CLJA litigation without the need for VBA personnel to fulfill the request. Additionally, VBA is developing an automated capability to provide records from the Veterans VBMS eFolder without the need for VBA staffing.

Question 20: Does the Navy have adequate information from the VA to adjudicate Camp Lejeune Justice Act cases? Will VA backlogs result in delaying the Navy's ability to make a determination in these cases when files are needed?

VA Response: VA defers to the Department of the Navy and DoJ for views on this issue.

Question 21: The statute limits the amount of time the Navy has to settle a claim. How will the VA backlog impact the ability of the Navy to consider relevant information in the statutory timeframe for Camp Lejeune cases?

VA Response: VA defers to Navy and DoJ for views on this issue. VBA is not involved in the CLJA civil litigation claims process. Therefore, VBA does not have a CLJA claims backlog. VBA would only provide documentation to assist with court-ordered mandates at the request of the DOJ.

Question 22: Should Congress consider supporting the Navy's ability to adjudicate these cases without going to trial?

VA Response: VA defers to Navy and DoJ for views on this issue.

Question 23: How can the VA support the Navy in obtaining the information required to get cases adjudicated?

VA Response: VA is working with DoJ, Navy, the Marine Corps, and the National Archives and Records Administration (NARA) to establish a process of responding to requests from DOJ for records related to CLJA litigation.

Question 24: Will the VA commit to doing everything in its power to promptly provide all documentation to Camp Lejeune Victims to work to adjudicate these claims?

VA Response: VA is working with DoJ, Navy, the Marine Corps, and NARA to establish a process of responding to requests from DOJ for records related to CLJA litigation.

Question 25: Under the Camp Lejeune Justice Act, a claimant is required to start by filing a claim with the Navy. If the claim is not adjudicated after 6 months from submission, the claimant may file suit in the U.S. District Court. As of February, when my staff spoke with the Navy, no claims have been adjudicated. Instead these claims are going to trial. Already more than 20,000 cases have been filed as of February 2023. Is the VA concerned about the number of veterans that are moving towards trial given there is no attorney fee cap?

VA Response: VA defers to Navy and DoJ for views on this issue.

Question 26: VA Undersecretary for Benefits, Joshua Jacobs, estimated in November last year that over $1 billion has been spent on advertising for Camp Lejeune claims. What informed this estimate?

VA Response: VA does not track expenditures by private law firms in advertising for the Camp Lejeune Justice Act. Mr. Jacobs was merely stating an estimate that had arisen in an informal conversation about the prevalence of advertising for the Act.

Question 27: What would the VA estimate has now been spent on advertising in relation to Camp Lejeune claims?

VA Response: VA does not track expenditures by private law firms in advertising for the Camp Lejeune Justice Act. VA defers to DoJ for views on this issue.

Question 28: Does the amount of money spent on advertising concern the VA? Please explain why or why not.

VA Response: VA is not aware of the total amount of money spent by private law firms in advertising for the CLJA.

Question 29: As far as you are aware, are any of the entities advertising lead aggregators?

VA Response: VA defers to DoJ for views on this issue.

Question 30: Will the VA increase the amount of time and money spent on providing educational materials to veterans on predatory law firms following enactment of the Camp Lejeune Justice Act, as new information on this behavior comes to light?

VA Response: VA continues to engage in this space and works to ensure that we are getting information to our Veterans to recognize predatory practices and protect themselves, report bad actors, and get support. VA established the www.va.gov/camplejeune website to help answer Veterans' questions.

Question 31: Do you believe this excessive advertising points to an opportunity for lawyers to make significant profits for taking on Camp Lejeune Justice Act cases?

VA Response: VA defers to DoJ for views on this issue.

Question 32: Does the VA have a duty to educate veterans about the benefits available to them and potential scams to deprive them of those benefits?

VA Response: VA has a duty to distribute information to eligible Veterans and eligible dependents regarding all VA benefits and services to which they may be entitled. *See* 38 U.S.C. § 6306(c)(1).

Question 33: What is the VA doing to distribute materials to educate veterans on possible exorbitant fees attorneys could be charging them in cases relating to the Camp Lejeune Justice Act?

VA Response: Although the Department of Defense and DoJ handle CLJA related scams, VA takes this threat seriously and the need to provide Veterans with the knowledge necessary to recognize potential negative actions from predatory practices such as exorbitant fees, to reach out for support if they experience it, and how to report. VA's Veteran Scam and Fraud Evasion Integrated Project Team (VSAFE IPT) is a Department-wide group that was stood up to quickly respond to emergent needs such as this as well as other types of Veteran targeted exploitation. Additionally, VSAFE works in collaboration across the Federal Government and with community partners.

VSAFE activities include internal activities such as ongoing best practice sharing, and externally with coordinated outreach effort. VSAFE developed a general one-page

infographic that can easily be shared within the Veteran community on scams (https://www.va.gov/files/2023-11/fraud-prevention-tips.pdf) and a fraud prevention for natural disasters and emergencies (https://www.va.gov/files/2023-09/disaster-one-pager_0.pdf), as well as a more detailed fraud prevention toolkit (https://benefits.va.gov/benefits/docs/fraud-protection-kit.pdf). Fees such as benefit application preparation fees are expressly addressed within the toolkit. Outreach materials are distributed through outreach events, in paper format, and electronically. VA is additionally creating a centralized webpage (https://www.va.gov/initiatives/protecting-veterans-from-fraud/) that will make it easy for the Veteran community to electronically connect with VA on this and other important issues.

Lastly, VA has also issued information warning of scams related to the Sergeant First Class Health Robinson Honoring our Promise to Address Comprehensive Toxics (PACT Act) and provide tips to avoid them. For example, see: https://www.va.gov/files/2022-11/PACT%20Act%20Scams%20Information%20V11.4.2022%201608hrs.pdf.

Question 34: What efforts are being made specifically to inform veterans in rural and remote areas about the dangers of predatory law firms?

VA Response: VA has a robust outreach campaign including flyers (https://www.va.gov/files/2022-12/Camp%20Lejeune%20FAQ%20V12.6.22%201030hrs.pdf), e-mails (https://content.govdelivery.com/accounts/USVA/bulletins/33fd3cf), video (https://www.youtube.com/watch?v=_1Ac1N-pxyU), and radio public service (https://news.va.gov/outreach/radio/) announcements to reach Veterans and their families with needed warnings and information regarding predatory law firms related to PACT Act and specific to the CLJA.

These products are being used by VA, Federal, state, and community partners to help inform Veterans and their families.

On June 15, 2023, at the North Carolina Veterans of Foreign Wars (VFW) Convention in Greensboro, North Carolina, a law firm was invited by VFW to offer their services to CLJA eligible Veterans. This firm used VA's CLJA flyer in their presentation and passed them out at their booth.

Question 35: Is the Veterans Experience Office still working from a veteran consumer protection angle even though these lawsuits are directed at the Department of Justice?

VA Response: VEO continues to engage in this space and diligently works to ensure that we are actively engaging in outreach campaigns to fortify Veterans. This fortification effort includes providing Veterans with the knowledge necessary to recognize predatory practices, to protect themselves and their families, report bad actors, and get support if they need it. This outreach is magnified through orchestrated partnerships internally, as

well as with Federal and community entities. Additional information is available at Protecting Veterans From Fraud | Veterans Affairs (va.gov) (https://www.va.gov/initiatives/protecting-veterans-from-fraud/).

Question 36: How have the claims from the Camp Lejeune Justice Act influenced guidance on veteran consumer protection in the VA?

VA Response: The Department of Defense (DoD), DoJ, and VA are working in tandem to share ever evolving predatory trends, best practices, and successful approaches for all types of Veteran targeted fraud. This is done through the VSAFE Integrated Project Team (IPT), as well as through OGC monthly meetings with the Federal Trade Commission and the Consumer Financial Protection Bureau, and community partner engagements. Through this work, we are able to create timely and collaborated outreach efforts. Outreach includes education on practical ways to protect yourself, get help, and to report.

Question 37: Is there, or will there be, an effort to update VA procedure in regards to predatory law firms targeting veterans in the future?

VA Response: With respect to claims for VA benefits, VA's FY 2025 Budget Submission Supplemental Information and Appendices Volume 1 of 5 includes a legislative proposal that if enacted, would reinstate the penalties for directly or indirectly soliciting, contracting for, charging, or receiving, or attempting to solicit, contract for, charge, or receive, any fee or compensation with respect to the preparation, presentation, and prosecution of claims for VA benefits except as provided in sections 5904 or 1984 of title 38, United States Code. This proposal seeks to address a gap that currently exists in the statutes governing the conduct of individuals who aid with claims for VA benefits. While VA strives to ensure that "claimants for [VA] benefits have responsible, qualified representation in the preparation, presentation, and prosecution of claims for veterans' benefits," 38 C.F.R. § 14.626, under current statutory authority VA only has limited enforcement authority over individuals aiding with claims for VA benefits. This proposal would create a single, national standard to serve as a general deterrent against bad actors and would allow for more meaningful enforcement against unaccredited individuals who are currently not subject to any Federal punishment for violations of VA law with respect to representation of claimants. The lack of a single, national criminal standard has a negative effect on VA's ability to ensure the quality of representation provided to claimants for VA benefits. Because criminal enforcement is constrained to State law, individuals providing representation to VA claimants, and therefore also the claimants they provide services to, are subject to a patchwork system of enforcement. Creating and imposing a single, national criminal prohibition would ameliorate the current piecemeal approach.[1]

Question 38: By the VA's estimate, how many individual law firms have released advertisements regarding the Camp Lejeune Justice Act?

[1] https://www.va.gov/opa/docs/remediation-required/management/fy2025-va-budget-volume-i.pdf (see page 20)

VA Response: VA defers to DoJ for views on this issue.

Question 39: Has the VA had any communication with law firms involved in the Camp Lejeune Justice Act regarding practices that may take advantage of veterans?

VA Response: OGC has not had any communication with law firms involved in the CLJA.

Question 40: Does the VA have a specific process for logging veteran concerns about predatory law firms?

VA Response: Claimants that believe an attorney, claims agent, Veterans Service Organization representative, or other individual or organization has acted in an illegal or unethical manner can file a complaint regarding their conduct with the Accreditation, Discipline & Fees (ADF) Program in the Office of General Counsel. The ADF Program is authorized to investigate complaints regarding VA-accredited individuals, when appropriate, and may also refer matters to other state and Federal law enforcement authorities for possible inquiry. However, as noted previously, claims for VA benefits are separate and distinct from awards under the CLJA, and VA defers questions on complaints related to the latter to DoJ.

Question 41; What role does the VA have in responding to cases of veterans being taken advantage of by predatory law firms?

VA Response: Claimants that believe an attorney, claims agent, Veterans Service Organization representative, or other individual or organization has acted in an illegal or unethical manner can file a complaint regarding their conduct with the ADF Program in the Office of General Counsel. The ADF Program is authorized to investigate complaints regarding VA-accredited individuals, when appropriate, and may also refer matters to other state and Federal law enforcement authorities for possible inquiry. However, as noted previously, claims for VA benefits are separate and distinct from awards under the CLJA, and VA defers questions on complaints related to the latter to DoJ.

Question 42: There's a very tight timeline under the law for veterans to make Camp Lejeune Justice Act claims—expiring in August 2024. At some point, legislation adding caps on attorney's fees becomes moot, because claims will be made and paid-out. Do you agree that once claims are paid-out, our window to cap attorney's fees will have passed?

VA Response: VA defers to DoJ for views on this issue.

Question 43: As you know, claims in the Camp Lejeune lawsuit expire in August 2024. What plans does the VA have to make claimants aware of this fast-approaching deadline?

VA Response: VA defers to Navy and DoJ to develop and provide guidance to the public on programs under their jurisdiction. VA stands ready to assist those agencies as needed in sharing such guidance.

Question 44: What efforts are being made to inform veterans in rural and remote areas of this coming deadline?

VA Response: VA defers to Navy and DoJ for views on this issue.

Question 45: What efforts have been made to make veterans' family members aware of their ability to file a Camp Lejeune Justice Act claim on behalf of their deceased veteran family member?

VA Response: VA defers to Navy and DoJ for views on this issue.

Question 46: What research is the VA conducting throughout the claims process to ensure that future lawsuits are handled in the best interest of the veteran and their families?

VA Response: VA is sharing best practices and predatory Veteran targeted trends through our VSAFE IPT, which is a Federal landscape-wide team created to combat potential fraud through knowledge-sharing and the implementation of best practices. This group regularly holds listening sessions to hear what they are seeing in terms of advocacy needs and Veteran impact. VSAFE provides any insights to offices handling respective claim types and processes to ensure that VA is doing its best to recognize emergent needs.

Question 47: Is the VA collecting data on predatory law firms discovered during this process to inform and warn veterans in the future?

VA Response: Although DoD and DoJ handle these types of cases, VA maintains a valuable relationship with these groups. Through the VSAFE initiative and regular meetings with various offices within VA on a tactical level, the groups actively share best practices and predatory trends through our VSAFE IPT and regular meetings with individual groups with like responsibilities within VA.

Information shared includes tactical insights as to evolving tactics, successful mitigation strategies of these tactics, and the needs that emerge for Veterans as a result of them. These insights are then used to combat fraud and to target helpful information to Veterans and those that support them on how to recognize and report fraudulent activities, and get help if it is needed.

Question 48: How will the actions of predatory law firms inform similar lawsuits and the VA's involvement going forward?

VA Response: VA defers to DoJ on this issue.

Question 49: Was there specific education provided within the VA regarding how to assist a veteran seeking to file a claim relating to the Camp Lejeune Justice Act?

VA Response: Because claims brought under the CLJA are not under VA jurisdiction, guidance has not been provided on how specifically to prepare claims from Veterans seeking to file a claim under the CLJA. However, see response below to Question 51 regarding publicly available information on Camp Lejeune claims, which has been distributed within VA and includes a FAQ on CLJA claims.

Question 50: What efforts were made within the VA to ensure that assistance to veterans was equivalent to outside law firms?

VA Response: Because claims brought under the CLJA are not under VA jurisdiction, VA does not provide assistance with filing claims under the CLJA. However, VA has conducted PACT Act outreach across its various social media platforms, conducted various media interviews, and published press releases and blogs all indicating that VA and VA accredited representatives, such as Veterans Service Organizations (VSO), are available to assist Veterans with filing VA claims.

Question 51: What efforts were made to ensure veterans were aware they could receive assistance filing a claim within the VA?

VA Response: Because claims brought under the CLJA are not under VA jurisdiction, VA does not provide assistance with filing claims under the CLJA. However, VA has conducted PACT Act outreach across its various social media platforms, conducted various media interviews, and published press releases and blogs all indicating that VA and VA accredited representatives, such as VSOs, are available to assist Veterans with filing VA claims. In addition, VA held a PACT Act Week of Action in December 2022 where it hosted more than 100 Week of Action events across all 50 states, the District of Columbia and Puerto Rico. These events featured Veterans, Veteran families and survivors, VA leaders, members of Congress, local elected officials, VSOs, state directors of Veterans Affairs and more—all of whom work together to spread awareness about the new health care and benefits available to Veterans and survivors. Many of these events had VA staff present to help Veterans apply for benefits, get screened for toxic exposures and enroll in VA health care.

On December 6, 2022, VBA published Spread the word about PACT Act eligibility - VA News (https://news.va.gov/109115/spread-word-pact-act-health-care-eligibility/). This information page includes links to numerous PACT Act resources for Veterans and their families. The PACT Act Health Care, Benefits Guide included on this page encourages Veterans to call the Benefits Hotline and to visit a VBA Regional Office for assistance. The Spread the Word About PACT Act eligibility page also contains a link to Camp Lejeune Contaminated Water Frequently Asked Questions (FAQs). Both the PACT Act

Health Care, Benefits Guide and the Camp Lejeune Contaminated Water FAQ page contain a list of organizations that provide free assistance with claims for VA benefits at OGC - Accreditation Search (va.gov) (https://www.va.gov/ogc/apps/accreditation/index.asp).

Additionally, VA forms, such as VA Form 21-526EZ, include the notation of a disclosure that highlights that an accredited VSO may be utilized to assist with an application. The notation includes a link to a list of accredited VSOs as well as a link to available state offices of Veterans affairs. Other forms, such as VA Form 21P-527EZ and 21P-534EZ, provide additional information on the utilization of an attorney or claims agent as well as a notation regarding the appropriateness of fees for claims assistance by such entities. VA's website, VA.gov, has a section that provides information on how to get help from an accredited representative. The section explains who the representatives are and what services they provide, how to find an accredited representative or VSO, and that there is no charge for this service.

Question 52: Does the VA support congressional action to extend the timeframe permitted for administrative review of Camp Lejeune Justice Act claims filed by impacted veterans, such that the veterans claims could be addressed by the Secretary of the Navy without having to go to court and pay attorney's fees?

VA Response: VA did not provide an official Department position on the CLJA.

Department of Veterans Affairs
April 2024

Statement for the Record

Sen. Sinema
Statement for the Record
Senate Veterans' Affairs Committee
Review of the Fiscal Year 2024 Budget and 2025 Advance Appropriations Requests
May 17, 2023

Senator Sinema Statement

Thank you, Chairman Tester, for holding this hearing and thank you to our witnesses for being here today.

In Arizona, veterans are an important part of our community. They make up almost 10 percent of the state's population, with almost half-a-million veterans. We are proud that so many veterans call our great state home.

During the COVID-19 pandemic, the VA received an infusion of funds to support its efforts. As we consider the FY 24 and FY 25 budget, it is important that we critically examine how these extra dollars were spent, so we can ensure that taxpayer dollars are being invested well as we work to improve the care and benefits veterans have earned.

Our veterans deserve our unwavering support. It is our obligation to ensure that they receive the care, resources, and opportunities they need to successfully transition back into civilian life. This budget hearing provides us with an invaluable opportunity to assess the progress we have made thus far and determine how we can further improve the services we provide to our veterans.

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