

Summary – Volume I

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Executive Summary

I. Introduction

The 2015 President's Budget and 2016 advance appropriations request for the Department of Veterans Affairs (VA) delivers on the President's promises and supports our Nation's commitments to Veterans. VA's 2015 Budget continues transforming VA into a 21st Century organization that is people-centric, results-driven, and forward looking.

VA's 2015 Budget continues our focus on three key priority goals: Expanding Veterans' access to benefits and services; eliminating the claims backlog in 2015; and ending Veteran homelessness in 2015. These crosscutting and high impact goals are designed to address the most visible and urgent issues in VA.

The Department's request for budgetary resources in 2015 totals \$163.9 billion. This includes \$68.4 billion in discretionary resources and \$95.6 billion in mandatory funding. Our discretionary budget request represents an increase of \$2.0 billion, or 3.0 percent, over the 2014 enacted level.

II. Resource Stewardship

In 2015, VA will continue to ensure effectiveness, accountability, and efficiency in the delivery of high quality and timely benefits and services to Veterans. In recent years, we have implemented the following management systems and new initiatives to make every dollar count and eliminate waste:

1. Completed the remediation of all longstanding financial material weaknesses and significant deficiencies identified in prior financial management audits. Also continued a steady year-over-year trend of reducing interest penalties paid for late payments per million dollars disbursed, reducing the amount from \$38 per million in 2012 to \$23 per million in 2013, a 39 percent reduction.
2. Conducted a comprehensive analysis and re-prioritization of VA's capital infrastructure portfolio to ensure critical safety and seismic issues are funded first. This process, Strategic Capital Investment Planning (SCIP),

captures the full portfolio of VA's near- to long-term infrastructure and service requirements and utilizes capital and non-capital solutions.

3. Reduced improper payments and improved operational efficiencies in our medical fee care program. By implementing the use of Medicare pricing methodologies at VHA to pay for fee-basis services, VA achieved savings of over \$648 million in 2013 without negatively impacting Veteran care and with improved consistency in billing and payment.
4. Established joint management and oversight processes with the Department of Defense to successfully guide the interoperability of the both departments' Electronic Health Records (EHR) and the standardization of data definitions for the two departments.
5. Established three additional Consolidated Patient Account Centers (CPACs) to standardize VA's medical care billing and collection activities, consistent with industry best practices. All seven CPACs are now fully operational.
6. Awarded 19.4 percent of contracts to service-disabled Veteran-owned small businesses in 2013, once again far exceeding the government-wide goal of 3 percent and leading all other Federal agencies in contracting with service-disabled Veterans. VA awarded 36.1 percent of total procurements to small businesses in 2013, up from 35 percent in 2012.

III. Multi-Year Plan for Medical Care

The \$56.0 billion 2015 Budget request for VA medical care is an increase of \$368 million (0.7 percent) over the 2015 advance appropriation. The increased funding in the 2015 Budget will be combined with reinvested funds made available as a result of revisions to previous medical care funding estimates and additional savings from new proposals (see the Executive Summary Chapter for additional detail). The 2015 President's Budget also requests \$58.7 billion in advance appropriations for 2016, an increase of \$2.7 billion (4.7 percent) above the 2015 Budget. Advance appropriations enable timely and predictable funding for VA's medical care to prevent our Nation's Veterans from being adversely affected by budget delays, and provides opportunities to more effectively plan and use resources.

IV. Strategic Framework

Four years ago, VA established three Agency Priority Goals (APGs), which represent the Secretary's highest priorities. The 2015 Budget continues progress toward achievement of VA's APGs, which are focused on improving direct service delivery to Veterans and eligible beneficiaries and require extensive collaboration across VA. The three APGs are:

1. Increase Veteran Access to VA Benefits and Services

VA will continue to focus on delivering seamless and integrated in-person services and increase the efficiency and effectiveness of virtual access. To achieve the best possible outcomes and increase access to virtual benefits and services, VA and DoD have jointly established eBenefits, an electronic portal which allows Veterans, Servicemembers, and other eligible beneficiaries to access their benefit information when, where, and how they want.

The development and proliferation of virtual care supports an organizational approach that is personalized, proactive, and patient-driven. VA virtual health services use technology and health informatics to increase access and improve care management. Advances in virtual care expand where health care services can be accessed, reduce the need for travel to medical facilities, and transform VA's delivery of health care. Improved access to care through telehealth and other virtual services is of particular benefit to rural Veterans, as well as those with chronic conditions or impaired mobility.

2. Eliminate the Disability Claims Backlog

VA will provide timely, accurate decisions on Veterans' disability claims and eliminate the claims backlog in 2015. Improving quality and reducing the length of time it takes to process disability claims are integral to VA's mission of providing benefits to eligible Veterans. To improve benefits delivery, VA is transitioning to an electronic claims process that will reduce processing time and increase accuracy. As of the end of September 2013, over 60 percent of VBA's inventory is in electronic format and is being processed electronically by VBA employees using the Veterans Benefits Management System (VBMS). In addition, VA is delivering comprehensive training that is aligned with the needs of the workforce to operate in this electronic environment. VBA is encouraging Veterans to submit Fully Developed Claims (FDC) that include all supporting evidence when the claim is filed. The FDC is typically the

fastest way for Veterans to receive a decision on their claims. Increasing the number of FDCs filed electronically by Veterans, or by Veterans' representatives on their behalf, reduces the major source of delay associated with gathering evidence to support a claim and helps reduce the overall time it takes to process a claim. Through people, process, and technology integrated initiatives, VA will achieve its priority goal of eliminating the disability claims backlog in 2015.

3. Ending Veteran Homelessness

VA is committed to preventing Veterans and their families from entering homelessness and to assist those who are homeless in exiting as safely and quickly as possible. VA's philosophy ensures that homeless Veterans and those at risk for homelessness have timely access to needed housing and supportive services. There is "no wrong door" - any door a Veteran comes to - at a medical center, a regional office, or a community organization - will offer Veteran assistance.

On a single night in January 2013 during the Point in Time (PIT) Count¹, there were 57,849 homeless Veterans in the US. Effectively ending homelessness among Veterans requires rapid access to permanent housing, health care (including mental health care), employment, benefits, and other supportive services. VA works closely with community partners to meet current and new demands for any Veteran who is experiencing or is at imminent risk of homelessness. Housing First and Rapid Re-housing are two evidence-based strategies VA uses to end homelessness. The Housing First model follows the philosophy of providing permanent housing as quickly as possible to Veterans experiencing homelessness and then wrapping health care and other supportive services as needed around the Veteran to sustain housing and improve their quality of life. Rapid Re-housing is a set of strategies to help families quickly move out of homelessness and into permanent housing. It

The ¹ annual PIT estimates are a snapshot of homelessness. They are submitted to HUD each year by communities and account for homeless Veterans in emergency shelters or transitional housing on the night of the PIT count (i.e., sheltered) as well as homeless Veterans who are in places not meant for human habitation such as the streets, abandoned buildings, cars, or encampments (i.e., unsheltered). Communities typically conduct their PIT count during the last week in January when a large share of the homeless population is expected to seek shelter rather than stay outside. Because counting people in shelters is more precise than conducting street counts, the timing of the PIT count is intended to improve the accuracy of the estimates. (Source: *Veteran Homelessness: A Supplemental Report to the 2010 Annual Homeless Assessment Report to Congress*).

typically involves: housing search and landlord mediation assistance, short-term or flexible rental assistance, and transitional case management services. Rapid Re-housing provides crisis intervention services to quickly place an individual or family who is currently homeless into a permanent, sustainable housing situation.

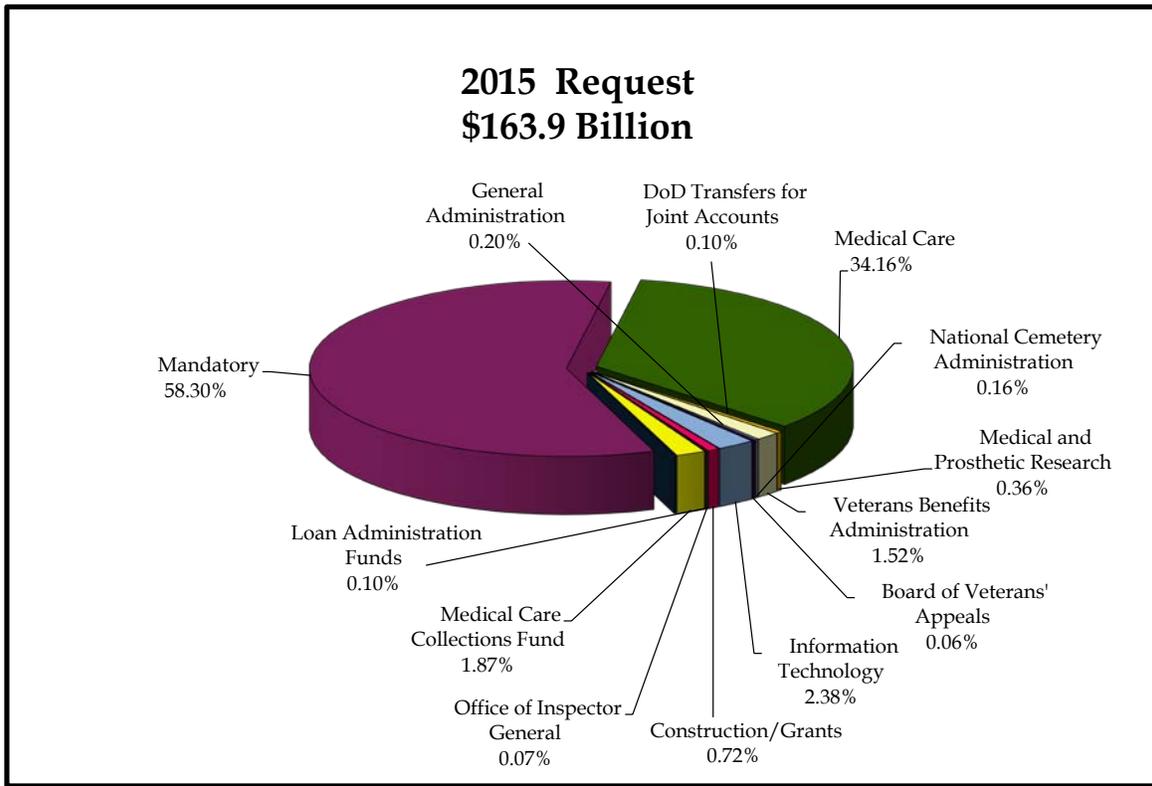
V. Overview of the 2015 Funding Request

The 2015 Budget provides \$163.9 billion for high-quality health care, benefits, and memorial service to our country's veterans. The request includes:

- \$68.4 billion in discretionary funding, including medical care collections, primarily for medical programs to provide high-quality health care, benefits processing, and research for conditions and diseases that affect Veterans.

- \$95.6 billion for mandatory entitlement programs to provide benefits for Veterans and their beneficiaries.

The chart below illustrates the components of VA's 2015 request.



2015 Budget Request		
	(dollars in thousands)	Percent of Budget
Medical Care	\$56,002,112	34.16%
Medical and Prosthetic Research	\$588,922	0.36%
Veterans Benefits Administration	\$2,494,254	1.52%
National Cemetery Administration	\$256,800	0.16%
General Administration	\$321,591	0.20%
Board of Veterans' Appeals	\$94,294	0.06%
Information Technology	\$3,903,344	2.38%
Construction/Grants	\$1,182,000	0.72%
Office of Inspector General	\$121,411	0.07%
Loan Administration Funds	\$162,382	0.10%
Medical Care Collections Fund	\$3,065,375	1.87%
DoD Transfers for Joint Accounts	\$162,000	0.10%
Total Discretionary	\$68,354,485	41.70%
Mandatory	\$95,568,742	58.30%
Total budget request	\$163,923,227	



Budget Authority by Account

Budget Authority <i>(dollars in thousands)</i>			
BA/Fund Account	2013 Actual	2014 Enacted	2015 ⁽¹⁾ Request
Federal funds:			
Benefit programs:			
Disability Compensation	\$56,383,865	\$65,737,777	\$72,563,561
Burial Mandatory Benefits	200,062	236,506	264,138
Pensions Mandatory Benefits	4,840,766	5,501,821	5,860,010
Subtotal, Compensation and Pension	61,424,693	71,476,104	78,687,709
Education Mandatory Benefits	10,258,480	12,082,867	13,595,420
Vocational rehabilitation and employment Mandatory Benef	940,140	1,053,031	1,166,441
Vocational rehabilitation loan subsidy (non-add)	16	5	10
Subtotal, Readjustment Benefits	11,198,620	13,135,898	14,761,861
Insurance Mandatory Benefits	104,600	77,567	63,257
Housing Mandatory Benefits	1,379,029	2,044,878	248,589
Veterans Employment & Infrastructure Transfer			1,000,000
Non-Appropriated Accounts			
Vocational Rehabilitation Upward Reestimate	92	78	0
Native American Veteran Housing	5,796	1,328	0
Housing Benefit Program fund Liquidating	-16,000	-9,678	-8,360
Trust Funds	1,045,266	1,092,666	1,002,244
General Post Fund	31,097	32,000	33,200
Proprietary receipts	-402,618	-307,367	-219,678
Intragovernmental transactions	-195	-160	-140
Total Benefits Mandatory	74,770,380	87,543,314	95,568,682
Medical Research and Support	581,905	585,664	588,922
Medical programs:			
Medical services	41,145,390	43,220,370	45,180,979
Medical care collection fund	2,887,062	2,918,654	3,048,303
Total Medical services with collections	44,032,452	46,139,024	48,229,282
Medical Support and Compliance	5,698,104	5,957,449	5,853,478
Medical facilities	5,409,938	4,926,070	4,707,257
DoD/VA Health Care Sharing Incentive Fund	30,000	30,000	30,000
Joint DoD/VA Medical Facility Demonstration Fund	378,156	405,333	416,295
Total Medical Care	55,548,650	57,457,876	59,236,312
Total medical programs	56,130,555	58,043,540	59,825,234
National Cemeteries Administration	260,043	249,000	256,800
Department Administration:			
General administration	338,171	325,591	321,591
Board of Veterans' Appeals	86,006	88,294	94,294
Credit Reform - General Counsel (non-add)	5,304	5,304	5,458
VBA-GOE	2,161,403	2,465,490	2,494,254
Credit Reform - VBA (non-add)	127,113	122,946	125,283
Subtotal, GOE	2,585,580	2,879,375	2,910,139
Office of Inspector General	114,848	121,411	121,411
Construction Major	738,767	342,130	561,800
Construction Minor	606,728	714,870	495,200
Grants for State Extended Care	84,888	85,000	80,000
Grants for State Cemeteries	45,939	46,000	45,000
Credit Reform	159,058	159,898	162,382
Information Technology	3,514,979	3,696,555	3,896,555
Total Departmental Administration	7,850,787	8,045,239	8,272,487
Total Budget Authority	\$139,011,765	\$153,881,093	\$163,923,203
Total Mandatory	\$74,770,380	\$87,543,314	\$95,568,682
Total Discretionary without MCCF	\$61,354,323	\$63,419,125	\$65,306,218
Total Discretionary with MCCF and other receipts	\$64,241,385	\$66,337,779	\$68,354,521

⁽¹⁾ 2015 amounts do not include mandatory legislative proposals

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High Impact and Crosscutting Performance Indicators

Department of Veterans Affairs Executive Summary - High Impact and Crosscutting Performance Indicators

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	Performance Measures Data								
		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Health Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percentage of total HUD-VASH vouchers that resulted in a Veteran achieving resident status. (Supports Agency Priority Goal)	88%	100%	92%	92%	90%	90%	90%	90%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	(* HOMELESSNESS: Number of homeless Veterans. (on a single night). (Supports Agency Priority Goal)	76,329	67,495	62,619	57,849	TOTAL: 43,000 Unsheltered: 11,500	TOTAL: 27,500 Unsheltered: 4,000	TOTAL: 12,500 Unsheltered: 0	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of Veterans discharged from VA funded residential treatment programs-Grant and Per Diem (GPD) or Domiciliary Care for Homeless Veterans (DCHV) who discharge to permanent housing. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	65%	65%	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of Veterans admitted into the HUD-VASH program who meet criteria for chronic homelessness. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	65%	65%	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of unsheltered Veterans moved out of unsheltered status within 30 days of engagement. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	80%	80%	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	ACCESS: Percent of patients who use a VHA Virtual Care Modality. (New) (Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	30%	35%	40%	50%

**Department of Veterans Affairs
Executive Summary - High Impact and Crosscutting Performance**

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	Performance Measures Data								
		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Health Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Prevention Index V	91%	92%	94%	93%	94%	94%	94%	95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Clinical Practice Guidelines Index IV	92%	91%	94%	92%	93%	93%	93%	94%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new primary care appointments completed within 14 days of the create date for the appointment.	N/Av	N/Av	N/Av	47%	47%	51%	55%	66%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established primary care patients with a scheduled appointment within 14 days of the desired date for the appointment.	N/Av	N/Av	N/Av	93%	93%	95%	95%	95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new specialty care appointments completed within 14 days of the create date for the appointment.	N/Av	N/Av	N/Av	41%	43%	45%	47%	53%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established specialty care patients with a scheduled appointment within 14 days of the desired date for the appointment.	N/Av	N/Av	N/Av	93%	93%	95%	95%	95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new primary care appointments completed within 30 days of the create date for the appointment. (New)	N/Av	75%	70%	72%	86%	88%	90%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established primary care patients with a scheduled appointment within 30 days of the desired date for the appointment. (New)	N/Av	N/Av	N/Av	96%	96%	97%	98%	100%

**Department of Veterans Affairs
Executive Summary - High Impact and Crosscutting Performance**

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	Performance Measures Data								
		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Health Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new specialty care appointments completed within 30 days of the create date for the appointment. (New)	N/Av	72%	68%	68%	71%	73%	75%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established specialty care patients with a scheduled appointment within 30 days of the desired date for the appointment. (New)	N/Av	N/Av	N/Av	96%	96%	97%	98%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of patients rating VA health care as 9 or 10 (on a scale from 0 to 10)								
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Inpatient	64%	64%	64%	66%	67%	67%	68%	75%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Outpatient	55%	55%	55%	58%	59%	56%	57%	70%
National Cemetery Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of graves in national cemeteries marked within 60 days of interment	94%	93%	89%	95%	95%	95%		95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who rate the quality of service provided by the national cemeteries as excellent	95%	95%	96%	96%	98%	98%		100%

Department of Veterans Affairs
Executive Summary - High Impact and Crosscutting Performance

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	Performance Measures Data								
		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Benefit Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Disability Compensation and Pension Claims Inventory Over 125 Days (Supports Agency Priority Goal)	36%	60%	66%	58%	50%	0%		0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Disability Compensation Claims Inventory Over 125 Days (Supports Agency Priority Goal)	37%	62%	67%	59%	50%	0%		0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: National Accuracy Rate - Disability Compensation Rating Claims -- Issue-Based (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	96%	97%	98%		98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: National Accuracy Rate - Improve national claim-based rating accuracy for disability claims (Supports Agency Priority Goal)	84%	84%	86%	90%	94%	98%		98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	ACCESS: Number of Registered eBenefits Users (Supports Agency Priority Goal)	N/Av	1M Baseline	1.97M	3.06M	3.8M	5M		5M
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	ACCESS: Percentage of Disability Compensation Claims Received Electronically (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	2%	12%	20%		TBD
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	ACCESS: Number of Accredited Veterans Advocates Registered in the Stakeholder Enterprise Portal (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	1,000	2,000	3,500		TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Employment Rehabilitation Rate	73%	74%	73%	65%	77%	77%		80%

Footnote(s):

(*) Based on January Point-in-Time (PIT) count results for previous FY investments. There is a lag in reporting this measure, the PIT count is reported following the end of the fiscal year to ensure the efforts and investments of the full year are reflected.



Mission

Our Mission: *What We Are Here to Do*

To fulfill President Lincoln's promise - "To care for him who shall have borne the battle, and for his widow, and his orphan" - by serving and honoring the men and women who are America's Veterans.

President Lincoln's immortal words - delivered in his Second Inaugural Address more than 140 years ago - describe better than any others the mission of the Department of Veterans Affairs (VA). We care for Veterans, their families, and survivors - men and women who have responded when their Nation needed help. Our mission is clear-cut, direct, and historically significant. It is a mission that every employee is proud to fulfill.

VA fulfills these words by providing world-class benefits and services to the millions of men and women who have served this country with honor in the military. President Lincoln's words guide the efforts of all VA employees who are committed to providing the best medical care, benefits, social support, and lasting memorials that Veterans and their dependents deserve in recognition of Veterans' service to this Nation.

Our Programs: *What We Do*

Veterans Health Administration

Providing Medical Care

VA operates the largest direct health care delivery system in America. In this context, VA meets the health care needs of America's Veterans by providing a broad range of primary care, specialized care, and related medical and social support services. VA focuses on providing health care services that are uniquely related to Veterans' health or special needs. VA is also the Nation's largest provider of health care education and training for physician residents and other health care trainees. These education and training programs are designed to help ensure an adequate supply of clinical care providers for Veterans and the Nation.

Web: <http://www1.va.gov/health/index.asp>

Conducting Veteran-Centered Research

VA advances medical research and development in ways that support Veterans' needs by pursuing medical research in areas that most directly address the diseases and conditions that affect Veterans.

Shared VA medical research findings contribute to the public good by improving the Nation's overall knowledge of disease and disability.

Web: <http://www.research.va.gov>

Veterans Benefits Administration

Delivering Compensation Benefits

The Compensation program provides monthly payments and ancillary benefits to Veterans in accordance with rates specified by law, in recognition of the average potential loss of earning capacity caused by a disability or disease incurred in or aggravated during active military service.

This program also provides monthly payments, as specified by law, to surviving spouses, dependent children, and dependent parents in recognition of the economic loss caused by the Veteran's death during active military service or, subsequent to discharge from military service, as a result of a service-connected disability.

Web: www.vba.va.gov/bln/21/compensation/

Providing Pension Benefits

Pension benefits are monthly payments, specified by law, provided to Veterans with nonservice-connected disabilities who served in a time of war. Veterans must meet specific income limitations and must be permanently and totally disabled or must have reached the age of 65. This program also provides monthly payments, as specified by law, to income-eligible surviving spouses and dependent children of deceased wartime Veterans who die as a result of a disability unrelated to military service.

Web: www.vba.va.gov/bln/21/pension/

Providing Fiduciary Services

Fiduciary services are provided to Veterans and beneficiaries, who, because of injury, disease, infirmities of age, or they are minor children, are unable to manage their financial affairs. This program provides for a selected fiduciary, normally a family member or caregiver, to manage the beneficiary's financial affairs to ensure all of his or her debts are paid. Additionally, through the fiduciary program, periodic visits are conducted with beneficiaries to ensure they are being properly cared for.

Web: <http://www.vba.va.gov/bln/21/Fiduciary/>

Providing Educational Opportunities

VA's education programs provide eligible Veterans, Servicemembers, Reservists, survivors, and dependents the opportunity to achieve their educational or vocational goals. Education programs also assist the Armed Forces in their recruitment and retention efforts, and help Veterans in their readjusting to civilian life.

These benefits serve to enhance the Nation's competitiveness through the development of a better educated and more productive workforce. VA administers a number of education programs, including the Montgomery GI Bill, the Post-9/11 GI Bill, and a new education program, the Veterans Retraining Assistance Program (VRAP), which provides financial support to individuals between 35 and 60 years old, to Veterans who are unemployed and are not eligible for other VA education benefits. VRAP training programs must begin on or after July 1, 2012, and the authority to make payments ends on March 31, 2014.

Web: www.gibill.va.gov

Delivering Vocational Rehabilitation and Employment Services

VA's Vocational Rehabilitation and Employment (VR&E) program provides a wide range of vocational and employment services to Veterans, active-duty Servicemembers, and eligible dependents. These services are designed to help Servicemembers and Veterans choose a career path and assist them in achieving their employment goals. Assistance includes interest and aptitude testing, occupational exploration, career counseling, training, and job placement services.

This program also provides services to enhance an individual's opportunity to obtain career employment through training. VA pays the costs of tuition, fees, books, supplies, equipment, and, if needed, special services. VA also provides a monthly benefit allowance to help with living expenses.

Web: <http://www.vba.va.gov/bln/vre/index.htm>

Providing Educational and Vocational Counseling (Chapter 36)

VA's Vocational Rehabilitation and Employment program administers the Educational and Vocational Counseling (Chapter 36) benefit to transitioning Servicemembers and current beneficiaries and new Veterans eligible under all Education chapters. The counseling services may include career decision making for civilian and military occupations, assistance with choosing an appropriate civilian occupation and developing a training program, selection of an academic facility, and academic and adjustment counseling to resolve barriers that impede success in training and/or employment.

Promoting Home Ownership

VA's Loan Guaranty program helps eligible Veterans, active duty personnel, surviving spouses, and members of the Reserves and National Guard in purchasing homes. VA also assists these borrowers in retaining their homes through joint servicing efforts with VA-guaranteed loan servicers via foreclosure avoidance services. In addition, VA offers Specially Adaptive Housing grants to Veterans and Servicemembers who have certain service-connected disabilities for the purpose of constructing an adapted dwelling or modifying an existing one to meet their special needs.

The Loan Guaranty program also provides direct loans to Native American Veterans living on Federal trust land and offers some loans to the public when buying homes owned by VA as a result of foreclosure.

Web: <http://www.homeloans.va.gov>

Meeting Insurance Needs

VA's Insurance program provides all Servicemembers and their families with universally available life insurance, which is automatically issued without underwriting. The program provides Servicemembers the option to continue insurance coverage after separating from the military. The Insurance program also offers Servicemembers traumatic injury protection. The program continues to provide life insurance coverage to World War II and Korean War-era Veterans, and to Veterans who have lost or impaired insurability resulting from military service and therefore cannot obtain commercial insurance at standard rates applicable to healthy individuals. In total, the program insures 6.9 million Veterans, Servicemembers, and their families.

Insurance coverage is made available in reasonable amounts and at premium rates comparable to those offered by commercial companies. The program ensures a competitive, secure rate of return on investments held on behalf of the insured.

Web: <http://www.insurance.va.gov>

National Cemetery Administration

Delivering Burial Services to Veterans

Primarily through the National Cemetery Administration (NCA), VA honors Veterans and their eligible family members with final resting places in national shrine cemeteries and with lasting tributes that commemorate their service and sacrifice to our Nation.

Web: <http://www.cem.va.gov>

Staff Offices

The Department's staff offices are critical to VA's ability to deliver services to Veterans in a cost-effective manner. These offices provide a variety of services including information technology, human resources management, financial management, acquisition, and facilities management.

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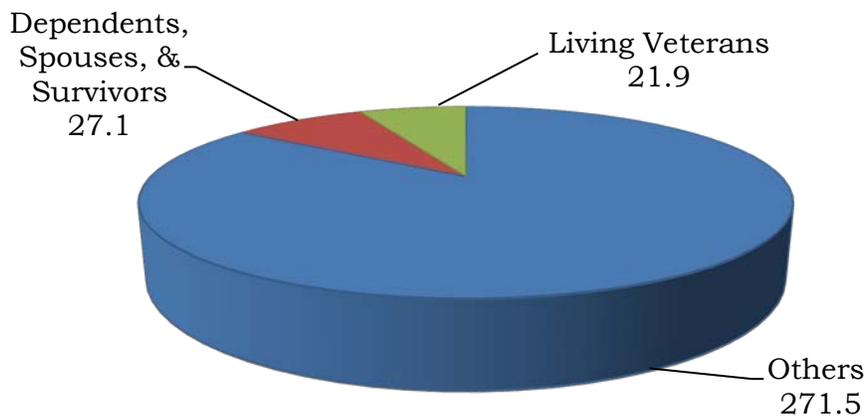
Population of American Veterans

Veterans Population

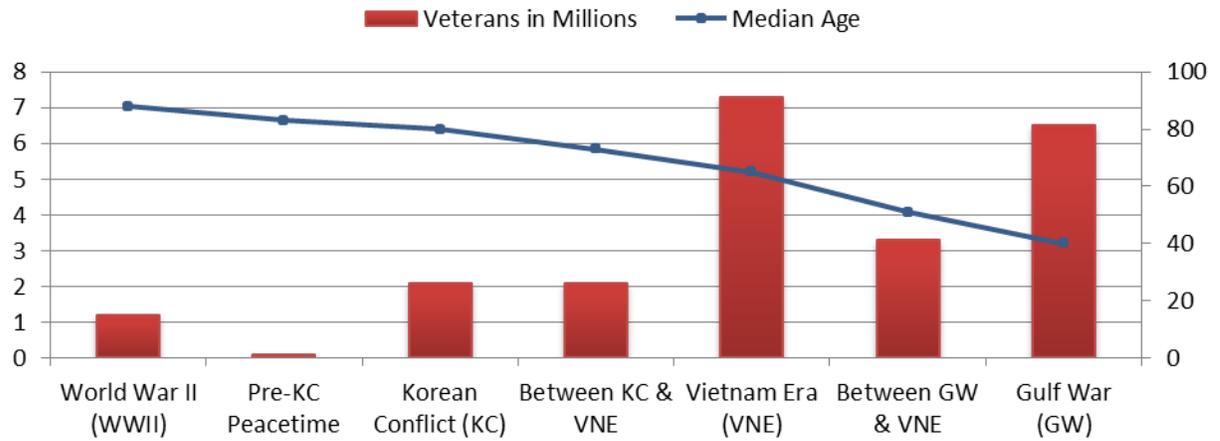
As of September 30, 2013, there were an estimated 22 million living Veterans, with 21.9 million of them in the United States and Puerto Rico. There were an estimated 26.5 million dependents (spouses and dependent children) of living Veterans in the U.S. and Puerto Rico. Additionally, there were about 575,000 survivors of deceased Veterans receiving survivor benefits (either Dependency and Indemnity Compensation or death pension payments) in the U.S. and Puerto Rico. Thus, approximately 49 million people, or 15.3 percent of the total estimated resident population of the U.S. and Puerto Rico (320.5 million), were recipients, or potential recipients, of Veterans' benefits from the Federal Government.

The pie chart represents the estimated number (in millions) in the resident population of the U.S. and Puerto Rico classified as living Veterans, dependents of living Veterans and survivors of Veterans receiving VA survivor benefits, and others (the remainder of the resident population) as of September 30, 2013.

Estimated Population (in Millions) of Living Veterans, Dependents of Living Veterans, Survivors of Veterans Receiving VA Survivor Benefits, and Others
U.S. and Puerto Rico, September 30, 2013



**Estimated Number and Median Age of Veterans by Period of Service*,
September 30, 2013**



9/30/2013	Median Age	Veterans in Millions
World War II (WWII)	87	1.2
Pre-KC Peacetime	83	0.1
Korean Conflict (KC)	81	2.1
Between KC & VNE	74	2.1
Vietnam Era (VNE)	65	7.3
Between GW & VNE	52	3.3
Gulf War (GW)	40	6.5

* Veterans are included in all wartime periods in which they served. Therefore, period categories do NOT add to total Veteran population.

Source – Veteran Population Model 2011



Estimates & Projections of the Veterans Population

Estimates and Projections ⁽¹⁾ of the Veteran Population of the United States, Puerto Rico, US Island Areas ⁽⁶⁾ , and Foreign Countries											
September 30, 2011 -- September 30, 2021											
Veteran populations projected as of September 30, 2013.											
Period	9/30/2011	9/30/2012	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021
All Veterans ⁽¹⁾	22,676,149	22,328,279	21,972,964	21,619,731	21,291,961	20,966,249	20,615,270	20,270,850	19,932,474	19,604,276	19,294,455
Wartime Veterans ⁽¹⁾	16,850,862	16,706,224	16,475,283	16,205,888	15,954,184	15,712,869	15,470,604	15,250,650	15,043,834	14,828,327	14,530,742
Gulf War ⁽²⁾⁽⁶⁾	5,954,523	6,240,055	6,484,914	6,693,780	6,919,682	7,207,149	7,427,190	7,631,276	7,798,893	7,935,460	8,074,089
GW Only	5,610,639	5,903,926	6,153,544	6,363,009	6,581,330	6,873,638	7,100,400	7,312,269	7,487,320	7,630,093	7,775,595
GW,VNE Only	343,884	336,128	331,370	330,771	338,352	333,511	326,790	319,007	311,573	305,367	298,494
Vietnam Era ⁽³⁾	7,574,032	7,489,353	7,330,032	7,153,996	6,962,018	6,703,555	6,484,370	6,297,325	6,162,142	6,049,166	5,766,533
VNE Only	6,986,367	6,925,289	6,787,916	6,631,385	6,449,518	6,212,856	6,015,248	5,850,292	5,737,413	5,646,039	5,382,200
VNE,KC,WWII Only	200,948	192,489	178,890	162,277	147,632	134,133	122,680	112,048	100,890	89,139	78,744
Korean Conflict ⁽³⁾	42,832	35,447	31,856	29,563	26,517	23,055	19,652	15,979	12,267	8,621	7,095
KC Only	2,433,372	2,273,001	2,073,580	1,878,257	1,742,446	1,565,609	1,414,071	1,275,115	1,133,410	989,383	863,884
KC,WWII Only	2,078,176	1,951,991	1,777,902	1,606,823	1,496,679	1,346,063	1,218,522	1,103,679	986,715	867,737	758,393
WWII ⁽³⁾	111,416	93,074	84,931	79,594	71,618	62,357	53,216	43,409	33,538	23,886	19,653
WWII Only	1,630,848	1,396,402	1,245,660	1,111,623	940,674	812,667	686,964	553,356	419,923	289,953	237,316
Peacetime Veterans ⁽⁴⁾	1,476,600	1,267,880	1,128,873	1,002,466	842,539	727,255	614,095	493,968	374,118	257,445	210,568
Between GW & VNE	5,825,286	5,622,055	5,497,681	5,413,843	5,337,777	5,253,380	5,144,666	5,020,199	4,888,640	4,775,948	4,763,713
Between KC & VNE	3,407,847	3,333,734	3,312,415	3,310,010	3,306,080	3,272,301	3,228,412	3,201,106	3,173,759	3,151,077	3,108,633
Pre-KC	2,257,355	2,153,836	2,073,441	2,005,039	1,936,161	1,896,909	1,829,369	1,724,841	1,600,368	1,465,142	1,408,250
	160,084	134,485	111,825	98,793	95,535	84,170	73,492	62,639	51,739	41,040	34,528

Detail may not add to totals or subtotals due to rounding.

⁽¹⁾ Veterans serving in more than one period of service are counted only once in the total.

⁽²⁾ This sum includes Veterans who served in multiple periods.

⁽³⁾ Prior to Fiscal Year 2010, Post-Gulf War Veterans (10/01/09 - present) were included under Peacetime Veterans.

⁽⁴⁾ Veterans who served both in wartime and peacetime are only counted as serving in wartime.

⁽⁵⁾ These data differ slightly from published Census data because they include 17 year-old Veterans and Veterans in foreign countries, neither of which are included in the published Census.

⁽⁶⁾ US Island Areas is composed of Virgin Islands, Guam, American Samoa, and the Northern Marianas.

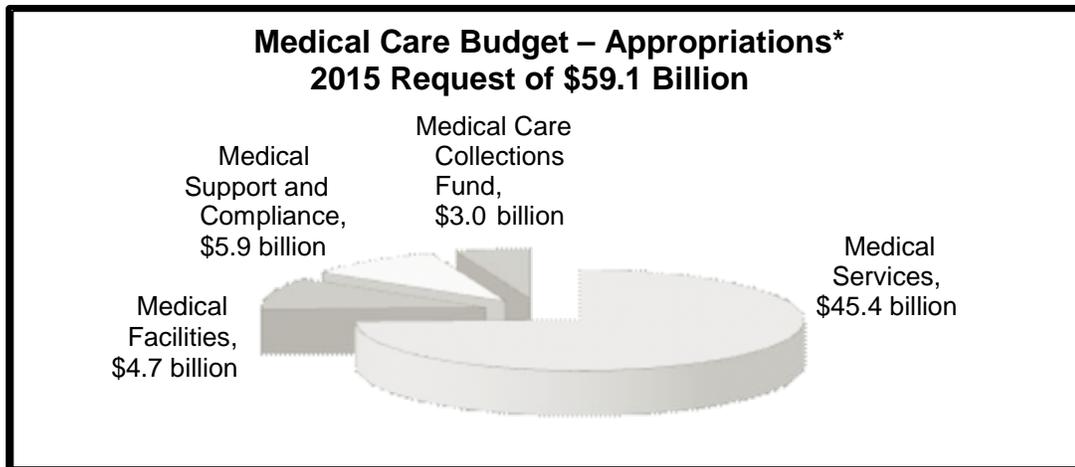
Source: Veteran Population Model 2011 as of September 30, 2013

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Medical Programs

Overview



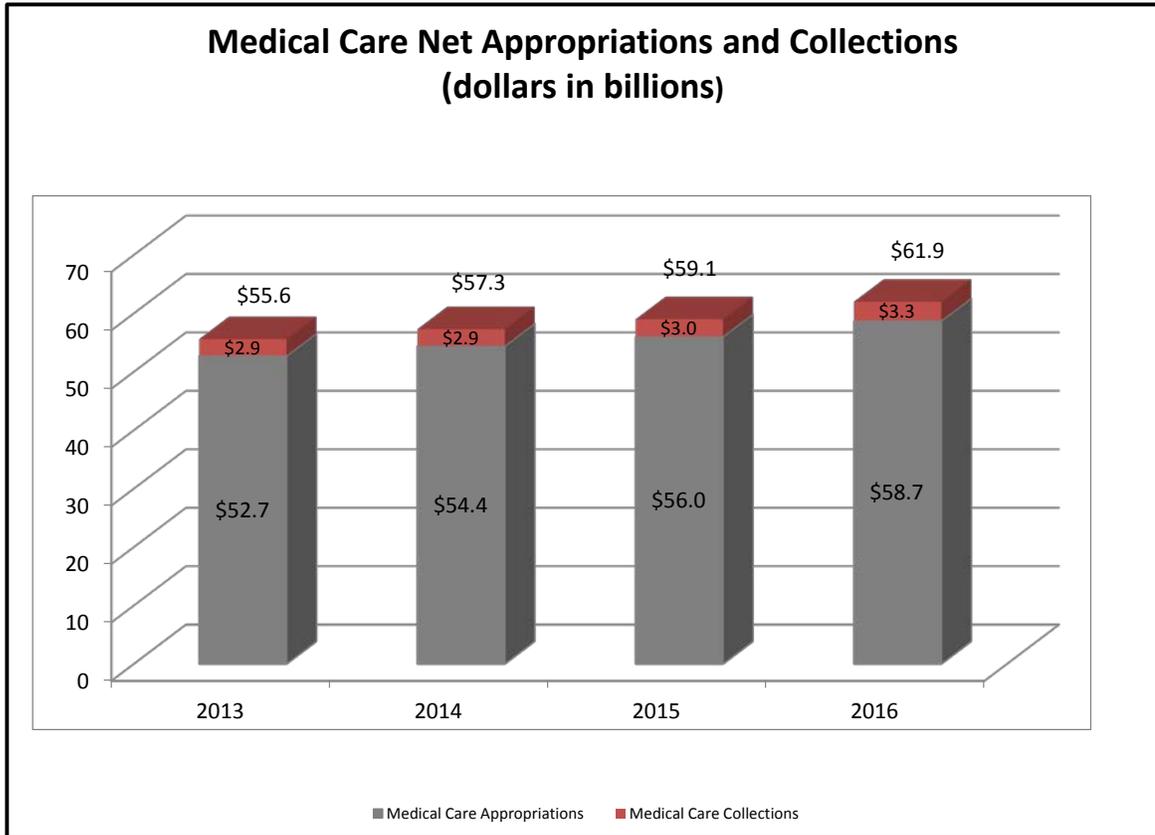
Note: The full requests for the three Medical Care accounts are shown, prior to transfers to the two joint DoD-VA health care accounts (\$260 million). Collections of \$3.0 billion represent the portion transferred to the Medical Services account. Dollars may not add due to rounding.

- Provides \$56.0 billion in 2015 in appropriations for the VA medical care program, from Medical Services, Medical Support and Compliance, and Medical Facilities, and \$3.0 billion in 2015 from medical care collections, to ensure delivery of the highest quality of health care to our Nation's Veterans, a 3.1 percent increase over the 2014 level.
- The Medical Care 2015 appropriations request of \$56.0 billion is an increase of \$367.9 million over the 2015 advance appropriations request of \$55.6 billion in the 2014 President's Budget.
- Provides \$58.7 billion in advance appropriations for 2016 for the VA medical care program, from Medical Services, Medical Support and Compliance, and Medical Facilities, and \$3.3 billion in 2016 from medical care collections. This request for advance appropriations, an increase of \$2.7 billion, or 4.7 percent, will provide reliable and timely resources to VA medical facilities to support the uninterrupted delivery of health care for Veterans.

- Anticipates health care to 6.7 million unique patients in 2015 and 6.8 million unique patients in 2016.
 - Includes 757,674 Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn (OEF/OIF/OND) Veterans (11.2 percent of all patients) in 2015.
 - Includes 823,647 OEF/OIF/OND Veterans (12.0 percent of all patients) in 2016.
 - Provides \$5.8 billion for direct health care services for homeless Veterans and \$1.6 billion (a 17.8 percent increase over the 2014 enacted level) for specific programs to assist homeless and at-risk Veterans as VA continues to implement its comprehensive plan to end Veteran homelessness by 2015. This plan includes major programs such as:
 - \$500 million for Supportive Services for Veteran Families (SSVF) to provide early intervention services to at-risk Veterans to prevent homelessness for themselves and their families.
 - \$374 million for the Department of Housing and Urban Development (HUD)-VA Supportive Housing (HUD-VASH) program to provide case management services to Veterans who receive HUD Housing Choice rental assistance vouchers.
 - \$253 million for the Grant and Per Diem program to assist community-based organizations with the provision of services for homeless Veterans and the VA liaisons to implement the program. \$514 million of additional support to continue VA's extensive outreach efforts to homeless Veterans in the community, Health Care for Homeless Veterans program, and other homeless programs.
- Expands and improves access to health care with funding for the following programs in 2015:
 - **Mental Health**—\$7.2 billion to continue our effort to improve access to mental health services across the country, including increases for post-traumatic stress disorder, substance use disorder, and suicide prevention.
 - **Iraq and Afghanistan Veterans**—\$4.2 billion to meet the needs of 757,674 Veterans with service in OEF/OIF/OND.
 - **Prosthetics**—\$2.6 billion to support the rising demand for prosthetics to improve Veterans' quality of life through new and innovative technology.

- **Spinal Cord Injuries**—\$561 million for spinal cord injury (SCI) continuum of care at VA’s 24 regional spinal cord injury centers. VA has the largest single network of SCI care in the nation that provides a full range of care for our Veterans.
- **Women Veterans**—\$403 million to enhance primary care for women Veterans, one of VA’s top priorities. VA has 142 full-time Women Veterans Program Managers serving at VA medical facilities to help ensure care is provided with the appropriate level of privacy and sensitivity.
- **Traumatic Brain Injuries**—\$229 million for screening and treatment of traumatic brain injury (TBI) to provide the highest quality care for our Veterans with TBI and polytrauma through VA’s TBI and polytrauma system of care.
- **Rural Health**—\$250 million for rural health initiatives to continue providing access and quality care to Veterans in rural areas with initiatives such as: mobile clinics, expanding fee-basis care, operating Rural Health Resource Centers, accelerating telehealth deployment, and exploring collaborations with other Federal and community providers.
- **Readjustment Counseling**—\$238 million for readjustment counseling and outreach services provided through our 300 Vet Centers to meet the needs of our Veterans. There will be 70 mobile Vet Centers that provide outreach at active-duty, National Guard, and Reserve activities nationally.

Summary of the Health Care Budget 2015 Funding and 2016 Advance Appropriations Request



Note: The appropriation levels include rescissions in 2013 and 2014 and Hurricane Sandy supplemental funding in 2013. The levels do not reflect transfers to the two joint DoD-VA health care accounts. The medical care collections levels reflect only the collections (actual or anticipated) transferred from the Medical Care Collections Fund to the Medical Services account. Dollars may not add due to rounding.

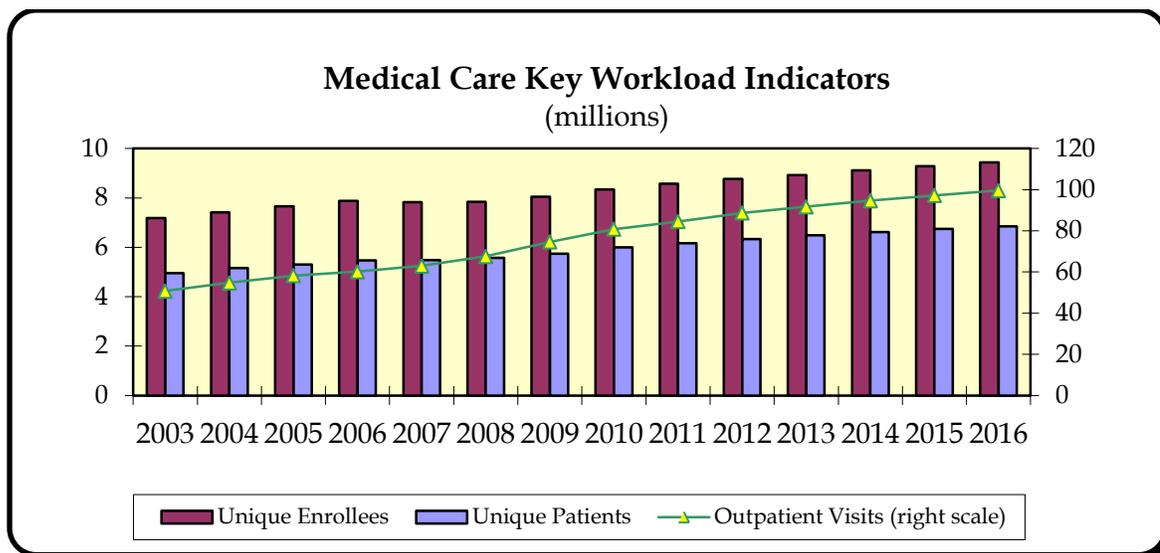
	2013	2014	2015	2016
Full-Time Equivalents*	267,930	273,304	275,122	277,614
*Does not include FTEs in the Joint DOD-VA Medical Facility Demonstration Fund or the DOD-VA Health Care Sharing Incentive Fund.				

- **Health Care Services** 2015 funding of \$48.2 billion and 2016 advance appropriations request of \$50.9 billion.
 - Ambulatory care is provided in VA hospital-based and community-based clinics. Contract fee care is often provided to eligible beneficiaries when VA facilities are not geographically accessible, services are not available at a particular facility, or when care cannot be provided in a timely manner. **2015: \$25.4 billion; 2016: \$27.3 billion.**
 - Inpatient acute hospital care services delivered in VA hospitals and through inpatient contract care. **2015: \$11.5 billion; 2016: \$11.8 billion.**
 - Rehabilitative care includes inpatient and outpatient and vision rehabilitation programs, and services to promote the health, independence, quality of life, and productivity of individuals with spinal cord injury and disorder. **2015: \$643 million; 2016: \$660 million.**
 - Mental health care to improve access to mental health services across the country. **2015: \$7.2 billion; 2016: \$7.4 billion.**
 - Prosthetics care to purchase and repair prosthetics and sensory aids such as hearing aids, pacemakers, artificial hip and knee joints, and ocular lenses. **2015: \$2.6 billion; 2016: \$2.7 billion.**
 - Dental care for our Veterans. **2015: \$922 million; 2016: \$973 million.**
- **Long-Term Care** 2015 funding of \$7.0 billion and 2016 advance appropriations of \$7.4 billion.
 - Non-institutional care funding of \$1.7 billion in 2015 includes increases for programs like home-based primary care (an increase of \$56 million from the 2014 current estimate), Homemaker/Home Health Aide Programs (an increase of \$15 million from the 2014 current estimate) and Home Telehealth (an increase of \$13 million from the 2014 current estimate). The VA telehealth program will help Veterans gain better access to and use of VA services by enhancing the ability to deliver care in the Veteran's home. **2015: \$1.7 billion; 2016: \$1.8 billion.**
 - VA community living centers care funding of \$3.6 billion for over 9,000 average daily census (ADC). **2015: \$3.6 billion; 2016: \$3.7 billion.**
 - Community nursing home care funding of \$753 million for over 7,900 ADC. **2015: \$753 million; 2016: \$777 million.**
 - State home nursing care funding of \$963 million for over 19,000 ADC. **2015: \$963 million; 2016: \$1.0 billion.**
- **Other Health Care Programs** funding for various other health care services such as the Civilian Health and Medical Program of the Department of

Veterans Affairs (CHAMPVA), Caregivers support and readjustment counseling. **2015: \$2.3 billion; 2016: \$2.4 billion.**

- **Congressional Action** includes funding to account for the impact of the Affordable Care Act (P.L. 111-148/P.L. 111-152), reimbursement to the Indian Health Service and tribal health programs (P.L. 111-148), implementation of the VOW to Hire Heroes Act of 2011 (P.L. 111-56), and care for Camp Lejeune Veterans and family members (P.L. 112-154). **2015: \$245 million; 2016: \$266 million.**
- **Special Activities** include \$1.6 billion in 2015 for Homeless Veterans Programs, an increase of 17.8 percent over 2014, which will provide for specific programs to assist homeless and at-risk Veterans as VA continues to implement its comprehensive plan to eliminate Veterans homelessness by 2015. In addition, activations funding of \$534 million in 2015 will provide non-recurring (equipment and supplies) and recurring (additional personnel) costs associated with the activation of new and renovated medical care facilities. **2015: \$2.2 billion; 2016: \$1.4 billion.**
- **Legislative Proposals** are being proposed that are designed to use better business practices, allow CHAMPVA beneficiaries additional benefits, and extend the authority to transport Veterans to VA facilities. **Costs: 2015: \$46 million; 2016: \$50 million.**
- **Proposed Savings** will result in the VA healthcare system operating more efficiently and help the Nation better meet its fiscal challenges. In 2015, VA is proposing \$416 million in new acquisition savings and \$99 million in improved operations. In addition to these savings, embedded in the estimates of the actuarial model used to project VA health care requirements is \$646 million of clinical efficiency savings. These savings are realized due to assumptions about how VA manages its system compared to private-sector health care systems. **Cost Savings: 2015: -\$515 million; 2016: -\$516 million.**

Medical Patient Case Load



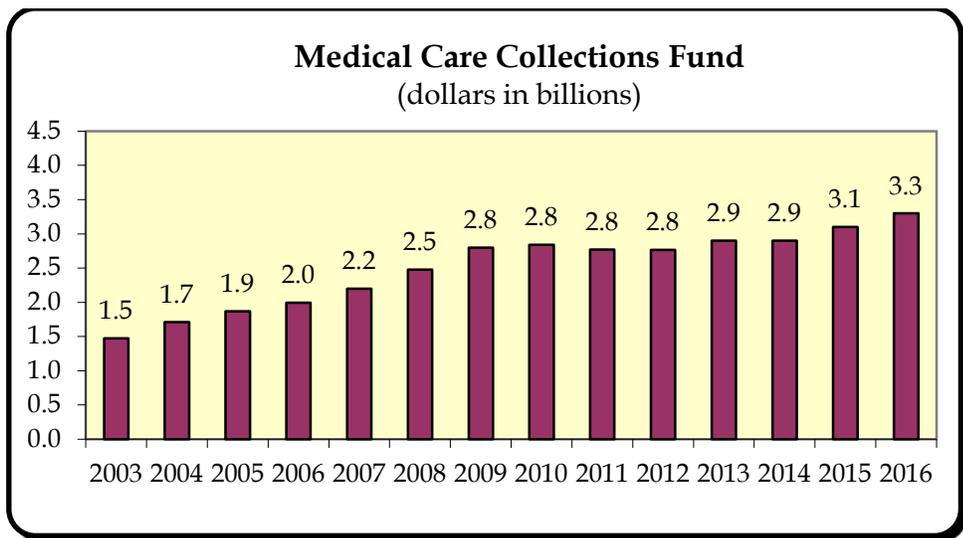
- Supports 6.7 million in unique patients an increase in 2015 of nearly 125,000, or 1.9 percent, over the 2014 estimate.
 - Priority 1-6 patients - In 2015, there are 4.7 million patients, an increase over 2014 of 2.4 percent, or 112,519 new patients. We devote 87 percent of our health care resources to meet the needs of these Veterans.
 - Priority 7-8 patients - In 2015, there are 1.3 million patients, a decrease from 2014 of 0.2 percent, or 2,021 patients.
- Increases outpatient visits from 94.6 million in 2014 to 97.2 million in 2015, an increase of 2.6 million, or 2.7 percent.
- Increases inpatients treated from 906,155 in 2014 to 906,174 in 2015, an increase of 19.

Resources Support Secretary's Health Care Priorities

- Provide easier access to benefits and services and end homelessness among our Veterans as we transform VA into a 21st Century organization.
- Achieve the following performance measures in order to support the Agency Priority Goal of eliminating homelessness among Veterans in 2015:
 - Reduce the total number of homeless Veterans, on a single night, to 12,500 in 2015, as measured by the January 2016 Point-In-Time count of homelessness.
 - Reduce the number of homeless Veterans living on the streets, experiencing homelessness, on a single night, to zero in 2015, as measured by the January 2016 Point-In-Time count of homelessness.
 - Maintain the standard for the percent of total HUD-VASH vouchers that result in a Veteran achieving resident status. VA plans to achieve a 90 percent performance level in 2015.
 - VA has identified and added four new homelessness measures to better measure progress towards this goal. The baseline for these new measures will be established in 2014.
- Continue to improve the quality and safety of health care:
 - Sustain our performance on the clinical practice guidelines index, which focuses on high-prevalence and high-risk diseases that have a significant impact on Veterans' overall health status. VA plans to achieve a 93 percent performance level in 2015.
 - Improve our performance on the prevention index aimed at primary prevention and early detection with immunizations and screenings. VA plans to achieve a 94 percent performance level in 2015.
- Improve timely and appropriate access to the delivery of primary and specialty care that is critical to providing high-quality health care to Veterans:
 - Improve standards for the percent of new primary and specialty care appointments completed within 14 days of the create date for the appointment. In 2015, VA plans to achieve a 51 percent performance level for new primary care appointments and a 45 percent performance level for new specialty care appointments.
 - Improve standards for the percent of established primary and specialty care patients with a scheduled appointment within 14 days of the desired date for the appointment. VA plans to achieve a 95 percent performance level in 2015.

- Continue the mental health care goals as follows:
 - Ensure 90 percent in 2015 and 92 percent in 2016 of targeted population of OEF/OIF/OND Veterans with a primary diagnosis of PTSD receive a minimum of eight psychotherapy sessions within a 14-week period.
 - Ensure 80 percent in 2015 and 85 percent in 2016 of Veterans being discharged from an inpatient Mental Health unit receive outpatient mental health follow-up care within seven days of discharge.
 - Improve standards for mental health appointments completed within 14 days of the create date for the appointment.

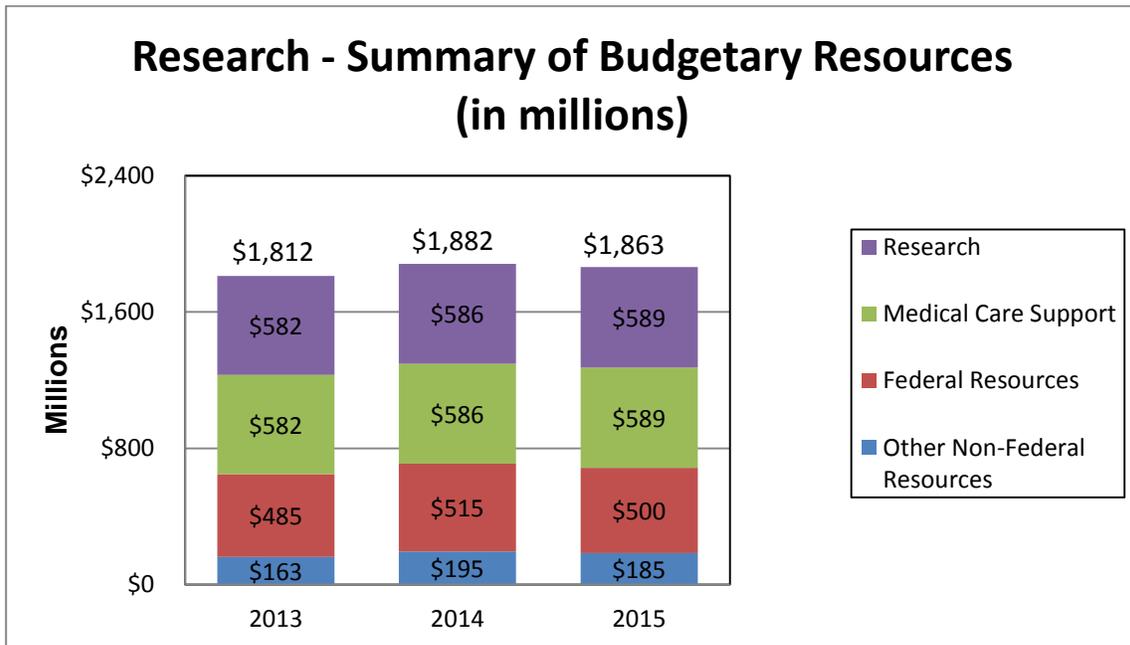
Medical Care Collections Fund (MCCF)



- This fund supplements our appropriations by collecting co-payments from veterans for pharmacy co-payments, and first-party other co-payments which includes inpatient and outpatient co-payments, and nursing home co-payments. VA also collects third-party insurance payments.
- VA estimates collections of \$3.1 billion, representing 5.2 percent of the available resources in 2015 and an increase of \$130 million, or a 4.4 percent increase, over the 2014 current estimate.
 - Of the \$130 million increase in collections for 2015, \$64 million is in third party insurance collections, \$61 million is in pharmacy co-payments, \$3 million is in third-party prescription collections, and \$3 million is for other first party co-payments.

- For the 2016 advance appropriations, VA estimates collections of \$3.3 billion, representing 5.3 percent of the available resources in 2016 and an increase of \$206 million, or a 6.7 percent increase, over the 2015 estimate.
 - Of the \$206 million increase in collections for 2016, \$100 million is in pharmacy co-payments, \$96 million is in third-party insurance collections, \$6 million is in other first party co-payments and \$4 million for third party prescription insurance.

Medical and Prosthetic Research



	2013	2014	2015
Full-Time Equivalent	3,445	3,491	3,491

- VA is anticipating \$1.9 billion in total resources for Medical and Prosthetic Research in 2015.
- The direct Medical and Prosthetic Research appropriation request is \$589 million.
- Support from the Medical Care appropriations is \$589 million.
- Other Federal and Other Non-Federal resources are estimated to be \$685 million in 2015.

- Total number of projects for Research is anticipated to be 2,224.

The following table summarizes Research and Development Program Funding for selected Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF) and Operation New Dawn (OND), Prosthetics, Women’s Health, Gulf War Veterans Illness programs, ALS and other neurodegenerative disorders, and Genomic Medicine, including the Million Veteran Program.

Research and Development Program Funding					
(dollars in thousands)					
Description	2013	2014	2015	2014-2015	
OEF/OIF/OND	Actual	Estimate	Request	Inc/Dec	
Pain.....	\$18,885	\$18,935	\$19,219	\$284	
Post deployment Mental Health.....	\$55,383	\$55,421	\$56,252	\$831	
Sensory Loss.....	\$17,463	\$17,680	\$17,945	\$265	
Spinal Cord Injury.....	\$28,210	\$28,791	\$29,223	\$432	
Traumatic Brain Injury and Other Neurotrauma....	\$34,407	\$35,016	\$35,541	\$525	
Prosthetics.....	\$11,847	\$12,683	\$12,873	\$190	
Women's Health.....	\$16,358	\$16,572	\$16,821	\$249	
Gulf War Veterans Illness.....	\$7,938	\$15,000	\$15,000	\$0	
ALS and Other Neurodegenerative Disorders.....	\$26,267	\$37,249	\$37,808	\$559	
Genomic Medicine including MVP.....	\$50,235	\$51,472	\$52,244	\$772	

- Clinical research represents an evidence-based approach for choosing the most effective therapeutic interventions for the Veteran population, and is an important contributor to the ongoing improvement of VA clinical care.
- VA is at the forefront of producing new transformational approaches and technologies for preventing, diagnosing, and treating disease.
- VA research takes advantage of being fully integrated within the nation’s biomedical community through collaborations with academic affiliates, non-profit and commercial entities, and other federal agencies.

Focus Highlights for 2015

The 2015 focus for VA research will emphasize the critical needs of our newest OEF/OIF/OND Veterans, while continuing to address the special and unique health care needs of all Veterans. VA research will increase its emphasis on critical areas that will impact VA for years to come, including Big Data/Bioinformatics.

Big Data/Bioinformatics

- The goal is to improve the ability to extract knowledge from large, complex collections of digital data to solve some of the Nation’s challenges. For VA,

it has the potential to impact how VA handles Veterans' data and for improving Veterans' care. The Office of Research and Development's (ORD) contribution to this initiative is in the area of bioinformatics, which involves developing and improving methods for storing, retrieving, and analyzing biological data.

- Major ORD projects include the database (called GenISIS) that supports the Million Veteran Program (MVP) and VA Informatics and Computing Infrastructure (called VINCI).
- To store and manage the data, MVP is building one of the world's largest medical databases, GenISIS. This data repository provides the central framework to support MVP and other VA genomic-medicine studies. The platform creates order out of the massive amount of data collected through MVP.
- To optimize the research potential of the data in VA's state-of-the-art electronic health record system, VINCI has created a powerful and secure environment that allows VA researchers with proper permissions to more easily access a wide array of the Department's health care databases, while minimizing the risk of data loss and compromise. VINCI brings together data sources and provides an analytical environment for performing studies.

Core Research Priorities

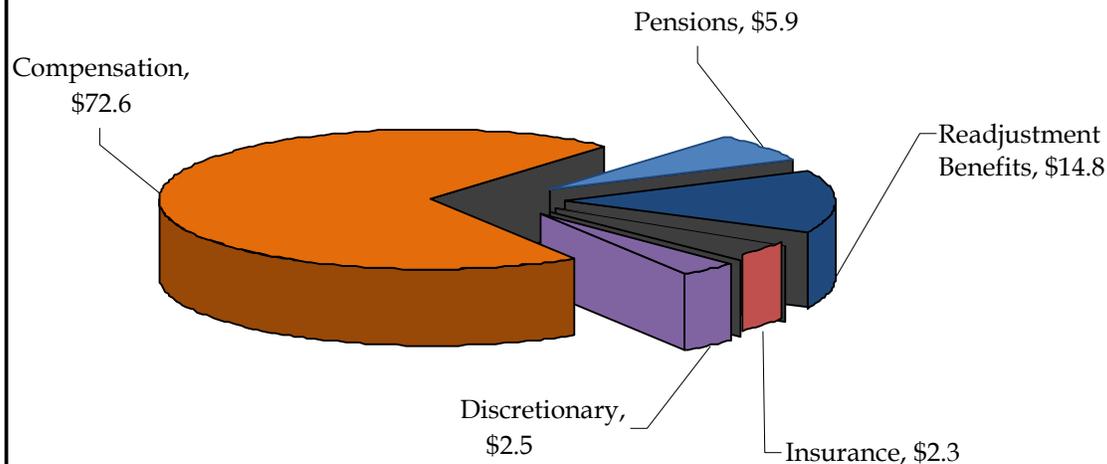
- Big data/bioinformatics,
- Genomic medicine,
- Priorities for combat Veterans (e.g., rehabilitation engineering, prosthetics/orthotics, Gulf War Veterans' illnesses, traumatic brain injury, and spinal cord injury),
- Women Veterans, and
- Homelessness.



Veterans Benefits Administration

Overview

Total VBA Mandatory and Discretionary 2015 Resources of over \$98 Billion



Summary of 2015 Budget Request

This budget, in conjunction with the budget of the Office of Information and Technology, supports the Veterans Benefits Administration's (VBA) transformation to a 21st Century organization. The request is driven by a new era, emerging technologies, the latest demographic realities, and a renewed commitment to today's Veterans, family members, and survivors. VBA uses credible evidence in formulating its budget proposals and performance plans and is evidence-based in creating resource allocations and plans to improve VA program performance. In the face of increasing workloads, VBA must deliver first-rate and timely benefits and services with greater efficiency. VBA is undertaking the largest transformation in its history; transforming into a high-performing organization guided by three principles: *people-centric, results-driven,*

and *forward-looking*. These principles will allow VBA to achieve the Department of Veterans Affairs (VA) Agency Priority Goals of:

- Provide timely, accurate decisions on Veterans' disability claims and eliminate the disability claims backlog and process all claims in 125 days with 98 percent accuracy in 2015.
- Deliver seamless and integrated services while increasing the efficiency and effectiveness of virtual services.
- Ending homelessness among Veterans.

VBA is accomplishing these goals by implementing and harmonizing multiple people, process and technology initiatives simultaneously.

- **People**
 - Organizational Model: case management approach to claims processing by utilizing cross-functional teams and express, core and special operations segmented lanes
 - Challenge: new claims processing employees are receiving better initial preparatory training; resulting in an average increase of 150 percent in production and 30 in accuracy
 - Issue-Based Quality: allows quality to be tracked and monitored to the issue level
- **Processes**
 - Electronic Regional Office (eRO): pilot at the Newark RO where all claims will be processed electronically
 - National Work Queue (NWQ): national workload management system that will assign claims workload based upon capacity availability and expertise regardless of RO jurisdiction
 - Centralized Mail Operations: receive, process, scan and convert claims-related source materials at regional processing centers instead of each RO
 - Gold Standard Service Treatment Record (STRs) and Personnel Records: a collaborative agreement with the Department of Defense (DoD) to improve data sharing and electronic record transfers
- **Technology**
 - Veterans Benefits Management System (VBMS): VBA's keystone paperless processing system
 - Veterans Claims Intake Program (VCIP): managing VBA's conversion of paper-based files to electronic files for use in VBMS and other business processes
 - Veterans Relationship Management (VRM): enterprise-wide initiative supporting eBenefits, and other innovative customer relationship applications

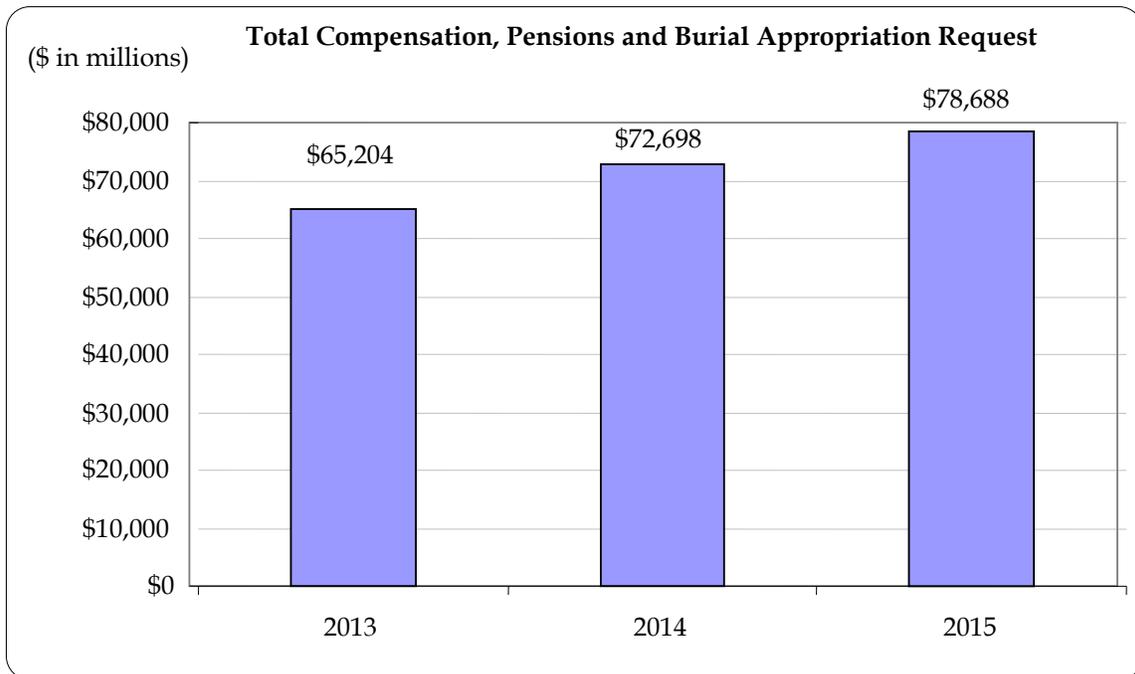
The number of disability compensation and pension claims received is expected to increase from 1,116,740 in 2014 to 1,214,060 in 2015. Claims receipts were 1,044,508 in 2013.

Of the \$98.1 billion in total obligations, 97.5 percent is for mandatory Veterans Benefits payments:

- 73.8 percent of the total represents costs associated with Compensation
- 6.0 percent is for the Pension programs
- 15.3 percent of the total supports Readjustment Benefits, which include both the Education Program and the Vocational Rehabilitation and Employment (VR&E) Program
- 2.3 percent represents the Insurance Program
- 0.1 percent is for the Housing Program

The remaining 2.5 percent will fund the discretionary costs associated with administering all benefit programs.

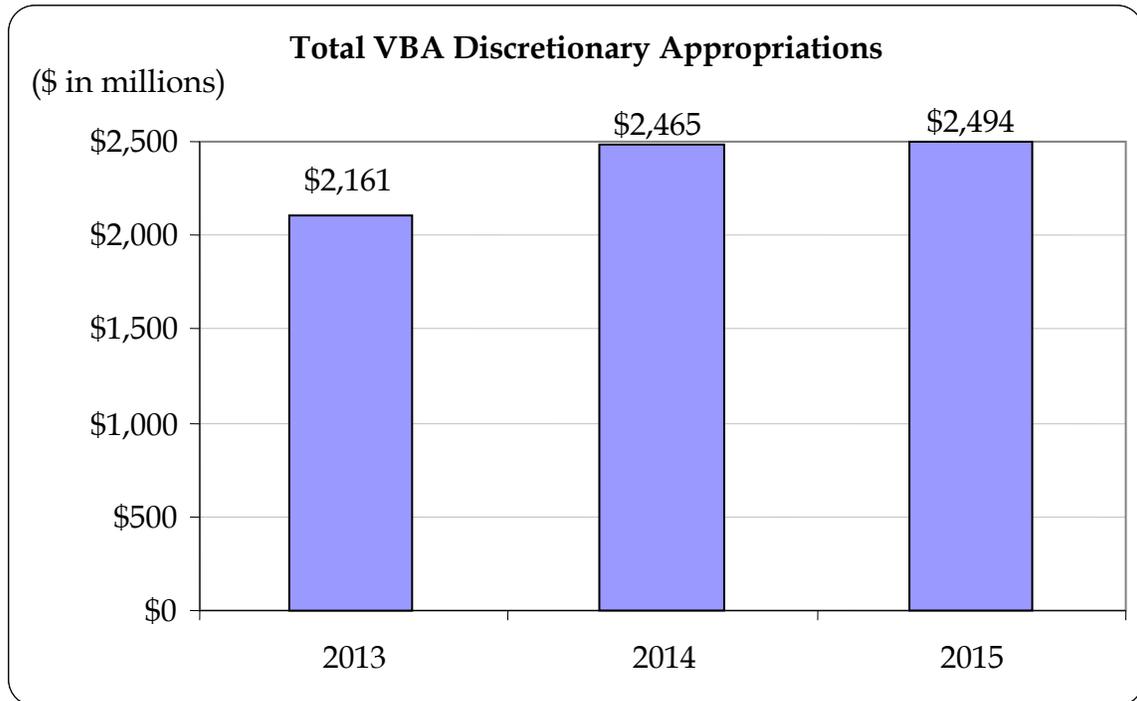
Highlights of VBA Mandatory Benefits Budget Request



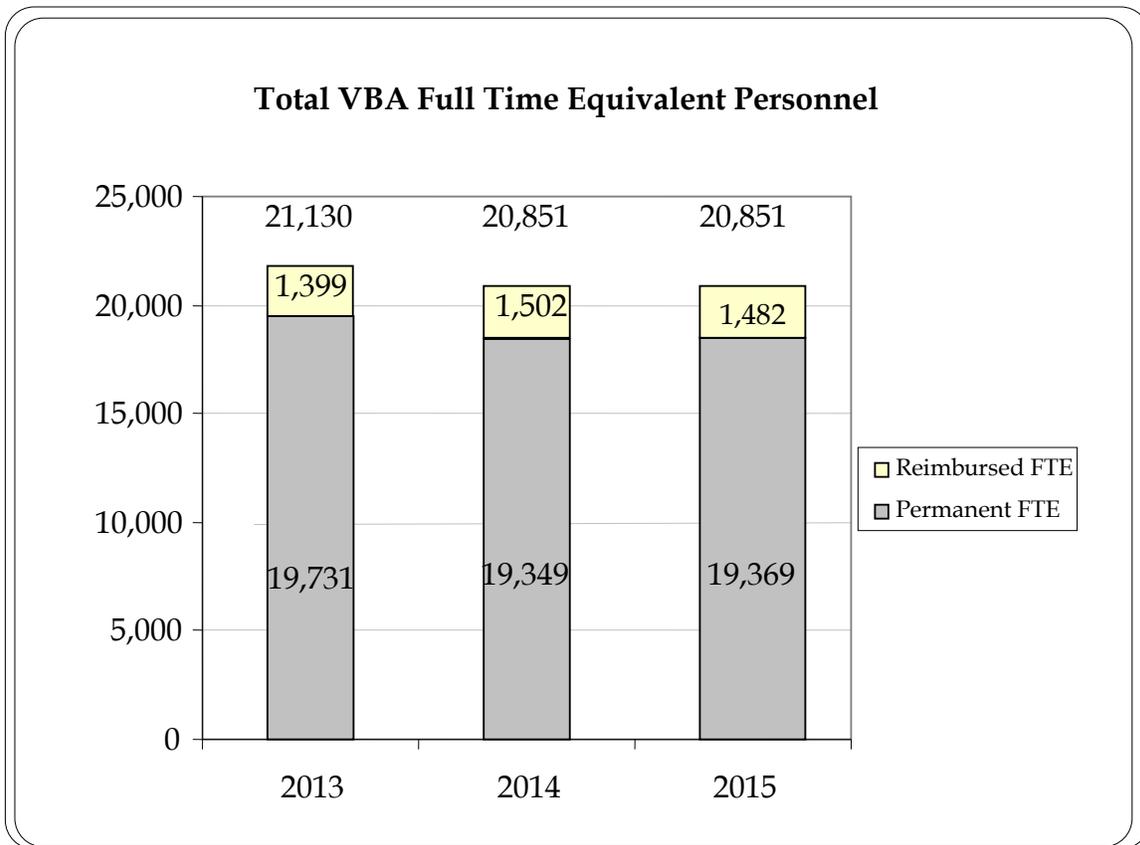
- The total 2015 Compensation, Pensions and Burial appropriation request is \$78.7 billion, an increase of \$6.0 billion, or 8.0 percent from the 2014 level
- An estimated 4.1 million Veterans and survivors will receive Compensation, and over 382 thousand will receive Pension benefits in 2015
- Almost 1.2 million Veterans, reservists, and dependents are expected to receive Readjustment Benefits in 2015, including over 1.0 million receiving education benefits and over 137 thousand receiving VR&E payments
- Just over 6.6 million Servicemembers, Veterans, and family members are expected to be insured under VA life insurance programs in 2015, with a face value of \$1.3 trillion
- An estimated 363 thousand Servicemembers and Veterans will receive VA-guaranteed housing loans in 2015, with a face value of \$92.1 billion

Highlights of the VBA Discretionary Budget Request

With a workforce that is correctly sized, trained, led, and supported by innovation, VBA will be positioned to meet the needs of our Veterans while also ensuring the sound stewardship of taxpayer funds. The 2015 request includes:



- \$2,494 million in appropriations, for a total of \$2,908 million in obligations for administrative expenses in 2015. The budget request represents a 15.4 percent increase over the 2013 enacted appropriation level



- The 2015 request of 20,851 FTE represents a decrease of 279 FTE from the 2013 actual level and no change from the request for 2014

Business Process Re-engineering and Innovation

Technology Improvements

VBA continues to partner with the Office of Information and Technology on a number of innovative improvements designed to improve services to Veterans and enhance their VA experience. They will assist VBA to fulfill its responsibilities to process Veterans’ benefit claims quicker and with high quality, and reduce the pending claims inventory. There are three key and interdependent major initiatives, each providing a unique service:

Veterans Benefits Management System

The Veterans Benefits Management System (VBMS) is a business transformation initiative designed to assist VA in improving quality and eliminating the claims backlog. The centerpiece of VBMS is a paperless system, which will be complemented by improved business processes and workflows.

It's anticipated that VBMS will dramatically reduce the amount of paper in the current disability claims process, and will employ rules-based claims development and decision recommendations where possible. Additionally, by using a services-oriented architecture and commercial off-the-shelf products, VA will be positioned to take advantage of future advances in technology developed in the marketplace to respond to the changing needs of Veterans over time.

Veterans Relationship Management

Veterans Relationship Management (VRM) is a broad, multi-year initiative to empower Veterans through enhanced self-service capabilities and improve their secure access to timely health care and benefits information and assistance.

This program will ensure consistent, user-centric access to enhance Veterans', their families', and their agents' self-service experience through a multi-channel customer relationship management (CRM) approach.

To date, VRM has delivered several self-service capabilities via eBenefits and completed telephony features, such as call transfer capability, national queue and call-routing to the best-skilled agent, and call recording to develop a "best quality calls" library and identify training needs. In addition, VRM has implemented the ability to assign the VA identifier to active duty military personnel at VA facilities. This minimizes inaccuracies in identifying a Veteran and decreases the number of duplicate records. VRM has also completed foundational elements for CRM tools for a pilot at the St. Louis Call Center, the knowledge management system, and business process improvement work, as well as continuous improvement of the interactive voice response system.

VOW to Hire Heroes Act

In November 2011, the VOW to Hire Heroes Act mandated an enhanced transition assistance program (TAP) for separating Servicemembers. VR&E anticipates an increase in the number of participants in 2015 as a result of the enactment of the VOW Act. Under this law, eligibility for certain services under the VR&E program has been extended or expanded, as follows:

- Severely injured Servicemembers have automatic eligibility to VR&E services until December 31, 2014. This provision allows VBA to serve these active duty military members earlier in their transition to civilian life.
- Unemployed Veterans who previously completed a VR&E program and have exhausted unemployment benefits may receive an additional 12 months of vocational rehabilitation services. The additional training will increase employment opportunities for these Veterans.
- VA may pay a special employer incentive to employers to hire or train Veterans participating in a VR&E program even when the Veteran has not

completed a VR&E training program. This provision increases job prospects for Veterans who need assistance with direct job placement.

- Effective November 21, 2012, VBA began providing benefit briefings to 100 percent of transitioning Servicemembers, to include active and reserve component personnel. In the past, briefings were optional and participation was much less comprehensive.

VEI Task Force/Transition GPS

To further combat Veteran unemployment and homelessness, the President directed VA and DoD to co-lead the interagency Veteran Employment Initiative (VEI) Task Force. In response to the VOW Act and recommendations from the Task Force, VA has implemented benefits briefings and other transition activities to increase the career readiness of Servicemembers transitioning to Veteran status by transforming counseling, education, training, and credentialing.

The VEI Task Force is phasing-in a newly designed program, called Transition GPS (Goals, Plans, Success). The Transition GPS program helps separating Servicemembers prepare for their civilian life by providing pre-separation assessments and individual counseling, a 5-day core curriculum, an additional curriculum tailored to Servicemembers' individual career goals, and a capstone event to verify that transitioning Servicemembers have met certain standards that show they are ready for their civilian careers.

VBA is also helping DOD develop the capstone event and the military life cycle to better prepare Servicemembers' for the transition to civilian life throughout their military careers. Because of the improved outreach VBA anticipates the number of individuals leaving military service and achieving their rehabilitation goals through VR&E services will increase

Virtual Lifetime Electronic Record

The Virtual Lifetime Electronic Record (VLER) initiative is an interagency federal initiative that will ultimately contain administrative and medical information from the day an individual enters military service, throughout his/her military career and after separation from the military (including information from private-sector providers who care for Veterans and their beneficiaries). VLER streamlines VA's use of data and information.

Meeting Veterans' Needs

- Continue implementation of the Transformation Plan using an integrated approach that incorporates people, process, and technology initiatives to achieve the Agency Priority Goals of eliminating the disability claims backlog and achieving 98 percent accuracy by 2015

- Process an estimated 1.5 million disability claims in 2015 while ensuring no more than 0 percent of the compensation and pension claims in the pending inventory are more than 125 days old
- Meet the demands of the significant increase in education workload resulting from the Post-9/11 GI Bill and the subsequent modifications to the Post-9/11 GI Bill in the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (Public Law (P.L.) 111-377); and the Vow to Hire Heroes Act of 2011 (P.L. 112-56). VA intends to fulfill our commitment to supporting Veterans in their educational pursuits by completing education original claims in 28 days in 2015
- Meet the demands of the estimated 10 percent increase in vocational rehabilitation and employment participants in 2015 compared to 2014, while maintaining the rehabilitation rate at 78 percent
- Continue to provide world-class insurance service by providing a projected \$2.3 billion to Servicemembers, Veterans, and their beneficiaries in the form of insurance death benefits, policy loans, and traumatic injury protection payments; and maintain the high client-satisfaction ratings for services delivered at 95 percent in 2015

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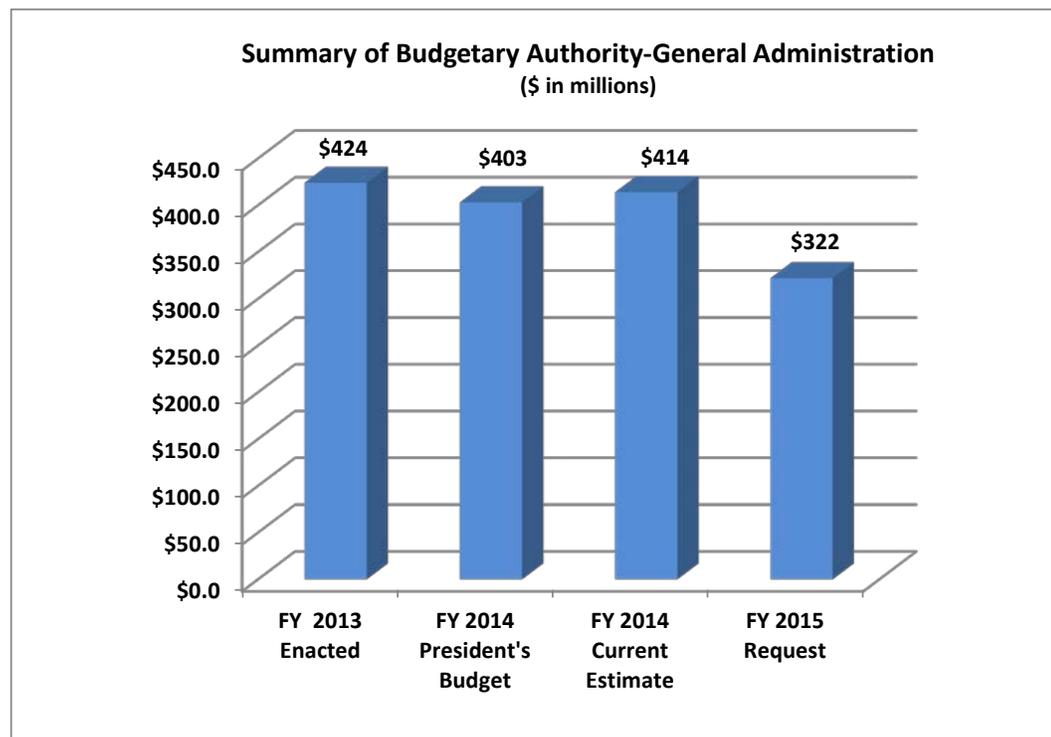


General Administration

Overview

- The 2015 Budget proposes to establish the Board of Veterans' Appeals (BVA) under a new appropriation, separate from the existing General Administration account. Details of BVA's budget request and performance plan may be found in Volume III, Part 4 of the Departments 2015 Congressional Justification.
- The General Administration account provides funding for the Office of the Secretary, six Assistant Secretaries and two Department-level staff offices. These offices provide policy guidance, oversight, and technical expertise to the Department to fulfill the Nation's commitment to provide Veterans with the best possible service.

Summary of the General Administration Budget Request



Note: The 2014 Current Estimate reflects an enacted rescission of \$2 million in budgetary resources.

Highlights of the 2015 General Administration Request

VA is requesting \$322 million and 2,832 FTE, including 1,096 reimbursable FTE, in 2015. These funds will sustain the management oversight and accountability process implemented during the last 4 years.

The table at the end of this section summarizes the resource level by staff office for the General Administration account. Highlights include:

- In 2015, \$10 million and 88 FTE, including 24 reimbursable FTE, are requested to support all operations within the Office of the Secretary, which includes: the Center for Minority Veterans, the Center for Women Veterans, the Center for Faith Based and Neighborhood Partnerships, the Office of Survivors Assistance, the Office of Employment Discrimination Complaint Adjudication (OEDCA) and the immediate Office of the Secretary. The Office of Secretary provides executive leadership to all programs to transform VA into a 21st century organization to ensure Veterans are cared for over a life time, from the day the oath is taken to the day they are laid to rest.
- A total of \$80.3 million and 682 FTE, including 165 reimbursable FTE, are requested for the Office of General Counsel in 2015. This will support GC's continuing efforts to address an expanding legal workload, including an increasing number of cases before the United States Court of Appeals for Veterans Claims and to improve the timeliness of publishing regulations for VA's legislative and regulatory programs.
- In 2015, \$44.1 million and 308 FTE, including 41 reimbursable FTE, are requested for the Office of Management. The 2015 budget will support priorities and initiatives designed to improve business practices, enhance financial oversight, and strengthen internal controls and transparency within the Department. The request includes funding for audits of the Non-VA Care (Fee) Program.
- A total of \$62.1 million and 873 FTE, including 608 reimbursable FTE, are requested for the Office of Human Resources and Administration in 2015. When combined with \$284 million in reimbursements, these funds will continue to support the VA's Human Capital Investment Plan initiatives. These include: Leadership Development, Mission Critical Training,

Program-Based Training for entry and mid-level employees, the H.R. Academy and Workforce Planning.

- In 2015, \$25 million and 143 FTE, including 27 reimbursable FTE, are requested for the Office of Policy and Planning (OP&P). The 2015 budget will support the Corporate Analysis and Evaluation Service to allow VA to better anticipate demands for its services, conduct long range planning, and allow for increased VA/DoD Collaboration efforts. In addition, OP&P will partner with other VA organizations on new VA-wide initiatives to maximize economies and efficiencies across the Department. These initiatives include: the Business Intelligence Program Management Office, corporate predictive modeling, interagency data mining, as well as other strategic planning transformation efforts.
- A total of \$17.9 million and 133 FTE, including 30 reimbursable FTE, are requested for the Office Operations, Security, and Preparedness in 2015 for a variety of mission critical activities including the continued refinement and development of the department's continuity programs through crisis management exercises, evaluation and training. The budget also supports: a program office for the Personnel Security and Suitability Program; improvements to the protection of the Department's physical infrastructure to ensure the provision of safe and secure environments for care and service; expanded oversight and inspection of VA Police Operations at VA facilities throughout the country; a program office for HSPD-12 implementation and compliance; and increased requirements for VA Special Access Programs. Additionally, \$5.6 million in reimbursements for 2015 is requested to support the new Identity, Credential, and Access Management (ICAM) program for the department.
- In 2015, \$22.3 million and 90 FTE, including 4 reimbursable FTE, are requested for the Office of Public and Intergovernmental Affairs. The budget request will provide for continued outreach, enhancing VA's partnership with Tribal Governments, and sustaining an Office of New Media intended to educate and empower Veterans and their families. In addition, the budget includes funding for grants to the U.S. Paralympics, Inc. and for subsistence payments to Veterans and service members participating in the program.
- A total of \$5.9 million and 45 FTE are requested for the Office of Congressional and Legislative Affairs in 2015. This funding will allow VA to continue to address an increasing workload and to become more proactive in advancing congressional communications and legislative outreach.

- In 2015, \$53.9 million and 470 FTE, including 197 reimbursable FTE, are requested for the Office of Acquisition, Logistics, and Construction. This funding supports activities to improve contracting and acquisitions and VA's Facilities Transformation initiatives by: increasing the role of project management at the regional and local levels; integrating facilities management functions to maximize life-cycle performance; expanding facility assessment and planning capability; leveraging technical expertise for minor design, construction and leasing; and increasing VA's return on investment.

Departmental General Administration						
(\$ in thousands)						
	<u>2013 Actual</u>		<u>2014 Current Est</u> ^{4/}		<u>2015 Request</u>	
	<u>Enacted BA</u>	<u>FTE 2/</u>	<u>BA</u>	<u>FTE 2/</u>	<u>BA</u>	<u>FTE 2/</u>
Office of the Secretary	12,060	100	10,032	99	10,032	88
Board of Veterans' Appeals 1/	86,006	533	88,294	640
Office of General Counsel	83,099	692	80,365	703	80,365	682
Office of Management	47,113	271	44,098	292	44,098	308
Office of Human Resources & Administration	69,546	801	68,064	873	62,064	873
Office of Policy & Planning	27,715	108	25,009	114	25,009	143
Office of Operations, Security & Preparedness	15,613	99	17,901	133	17,901	133
Office of Public and Intergovernmental Affairs	23,037	92	22,279	90	22,279	90
Office of Congressional & Legislative Affairs	6,177	45	5,969	49	5,969	45
Office of Acquisition, Logistics and Construction	53,810	377	53,874	441	53,874	470
Rescission 3/	0	0	-2,000	0	0	0
Total Budget Authority	\$424,176	3,118	\$413,885	3,434	\$321,591	2,832

1/ In 2015, BVA funding is being requested under a separate appropriation.

2/ FTE levels include staffing supported by reimbursements.

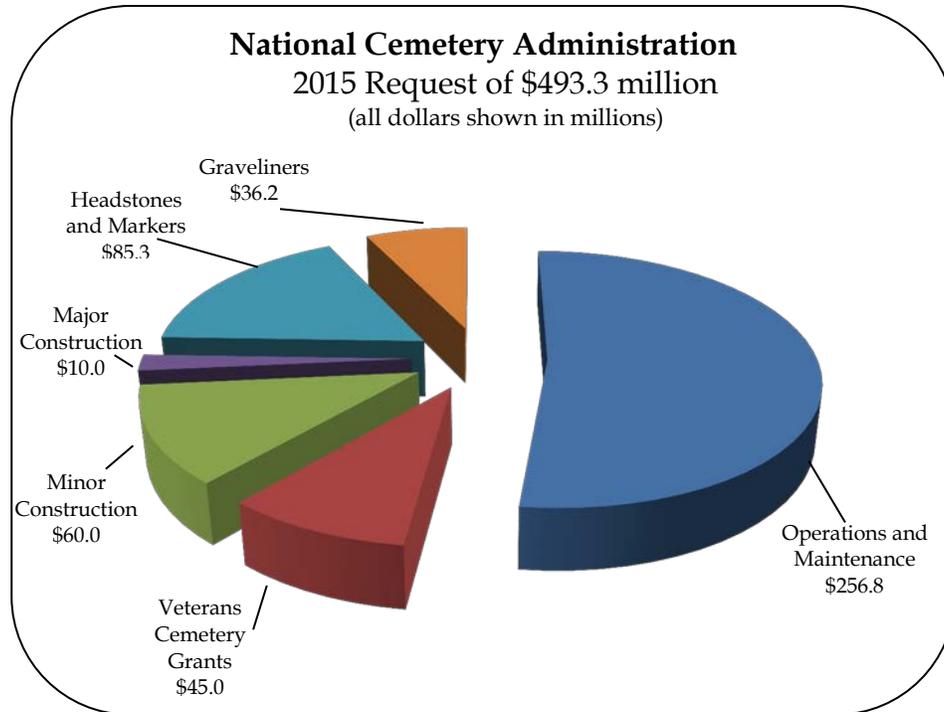
3/ Pursuant to P.L. 113-76, \$2 million is rescinded in 2014.

4/ The 2014 Current Estimate column reflects the 2014 Enacted Budget.



National Cemetery Administration

Overview



Highlights of the 2015 Request

Discretionary

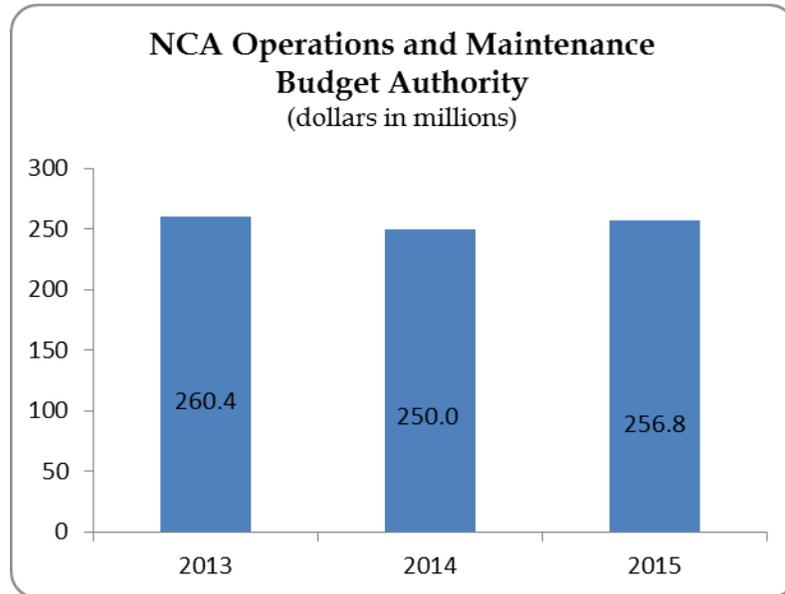
- 52.1% of the total National Cemetery Administration's (NCA) budget is for the operation and maintenance of VA's national cemeteries.
- 14.2% of the NCA budget is for the construction and renovation of VA's national cemeteries and facilities.
- 9.1% of the total resources under NCA are available for grants to states and tribal organizations for Veterans cemeteries.

Mandatory

- 7.3% is available for Graveliners and Outer Burial Receptacles (OBRs).
- 17.3% of the total NCA budget is for Headstones and Markers.

Summary of the NCA Budget Request

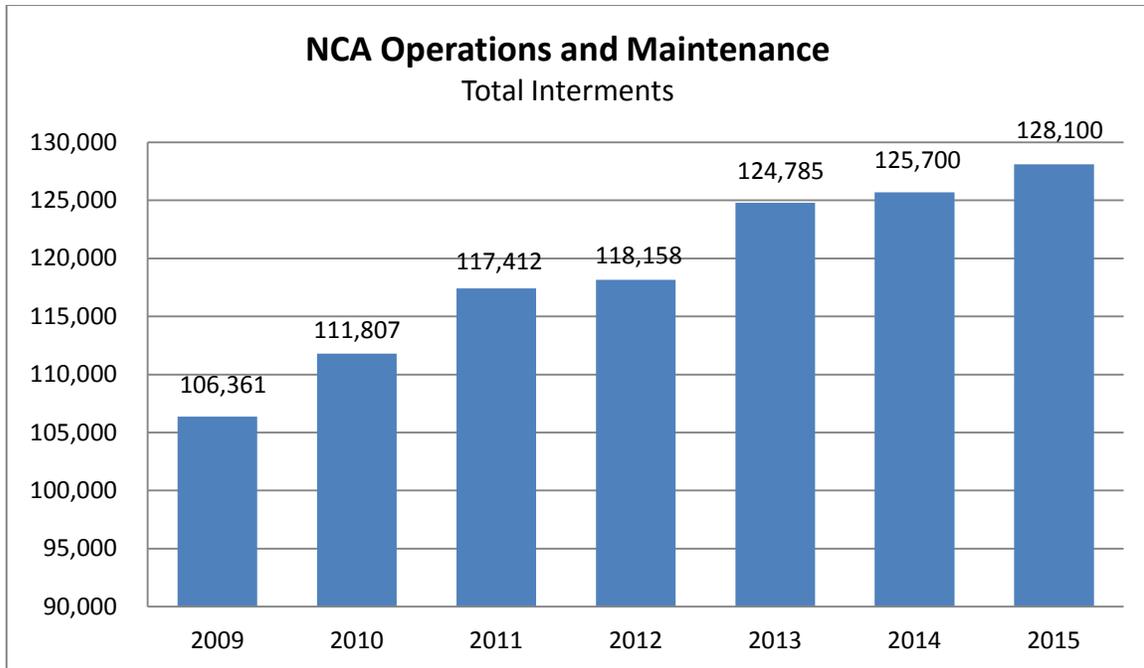
The National Cemetery Administration requests \$256.8 million in budget authority and 1,767 FTE for operations and maintenance in 2015.



	2013	2014	2015
Full-Time Equivalents	1,700	1,719	1,767

The 2015 NCA request includes:

- \$5.7 million and 32 FTE to support increased interment activities and maintenance workload.
- A total of \$8.1 million for projects to raise, realign, and clean headstones and markers and repair turf in the burial sections. These renovations help NCA to continue its commitment to maintain our national cemeteries as national shrines.
- \$2.0 million to continue support of non-recurring maintenance activities.



Cemetery Workload

- NCA continues to experience growth in cemetery workload.
- In 2015, NCA projects that interments will increase by 2,400 over 2014.
- Cemetery maintenance workload will also continue to increase in 2015 over 2014. NCA projects that the number of gravesites maintained will increase by 82,700 (2.4%) and the number of developed acres maintained will increase by 98 (1.1%).

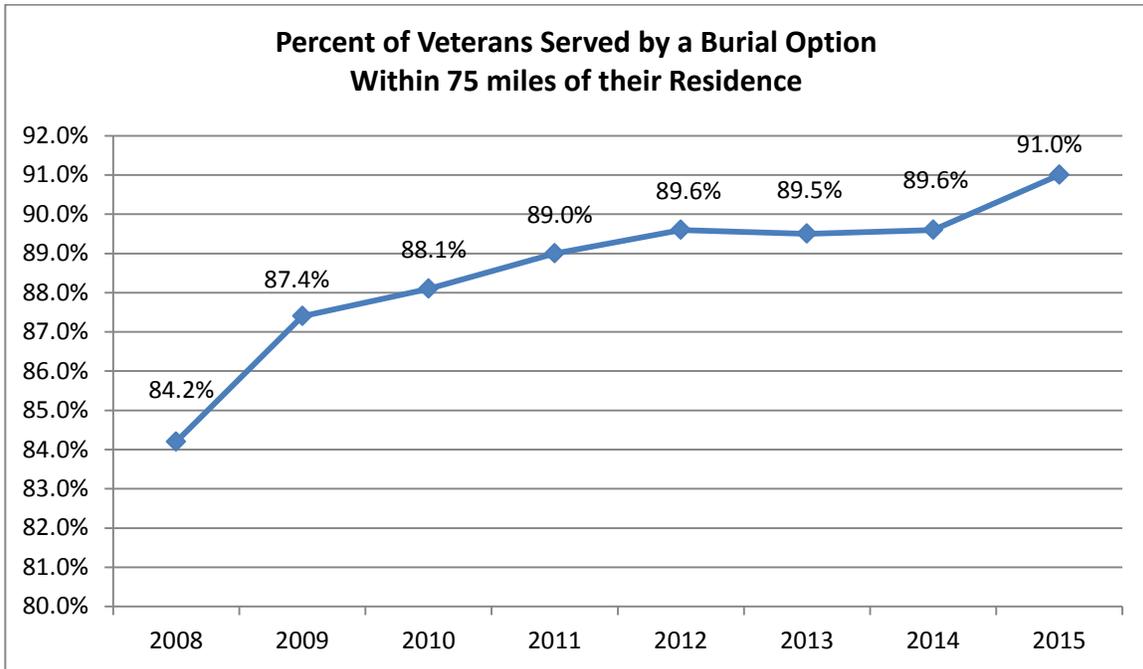
Accomplishments

- As a result of the recent expansion and the opening of new state Veterans cemeteries, the percentage of Veterans served by a burial option within 75 miles of their residence has increased steadily from 83.4% in 2007 to 89.5% in 2013.
- VA introduced new burial policies in the President's 2011 Budget request that will result in the opening of five new national cemeteries. As a result, land acquisition and design has begun to construct cemeteries that will provide an additional 550,000 Veterans access to a burial option. VA will also improve access through the construction of columbarium-only satellite cemeteries in densely populated urban areas and establish a national cemetery presence in rural areas where the Veteran population is less than 25,000 within a 75-mile service area.

Expected Results

The budget request will support the following results in 2015:

- NCA will increase its service level to provide 91.0% of America's Veterans with a burial option within 75 miles of their residence.



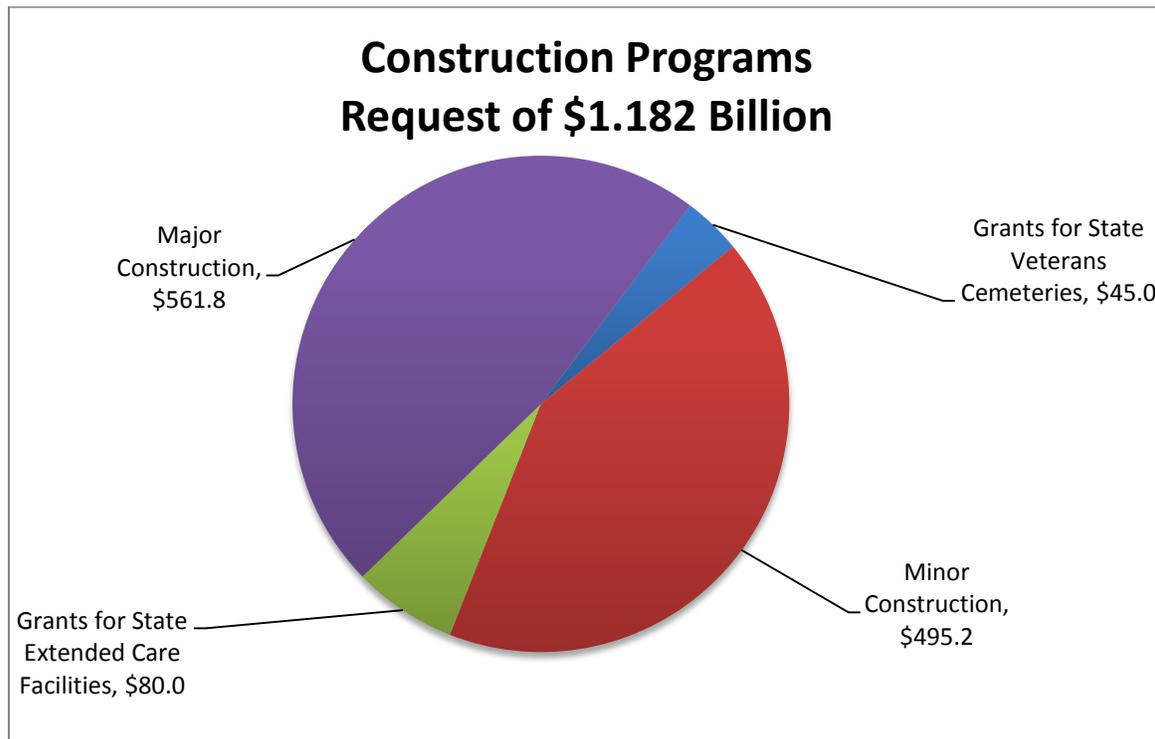
- 98% surveyed will rate the quality of service of NCA as excellent.
- 95% of graves in national cemeteries will be marked within 60 days of interment.
- 90% of applications for headstones and markers will be processed within 20 days for the graves of Veterans who are not buried in national cemeteries.
- 99% surveyed will rate national cemetery appearance as excellent.



Construction Programs

Overview of 2015 Request

The pie chart below reflects funding for all Construction Programs.



For 2015, VA prioritized construction projects utilizing the Strategic Capital Investment Planning (SCIP) process. SCIP, which was first implemented for the 2012 budget cycle, is an innovative Department-wide planning process that resulted in the creation of a single, integrated prioritized list of projects from all capital investment accounts (major construction, minor construction, non-recurring maintenance and leasing). SCIP is designed to provide a long range plan to improve the delivery of services and benefits to Veterans, their families and survivors by addressing VA's most critical capital needs and/or performance gaps and investing wisely in VA's future. For 2015, VA integrated existing partially funded major construction projects into the SCIP process. These projects scopes were reevaluated to ensure consistency with current gaps, rescored and reprioritized. In addition the SCIP process informs the prioritization of capital requirements in the annual budget process.

Construction, Major Projects

- Major Construction funding of \$561,800,000 is requested for 2015.
 - The Construction, Major Projects appropriation provides for constructing, altering, extending, and improving any VA facility, including planning, architectural and engineering services, assessments, and site acquisition, where the estimated cost of a project is greater than \$10,000,000; or where funds for a project were made available in a previous appropriation under this heading.
 - The major construction request supports the continuation of 4 partially funded medical facility projects in West Los Angeles, California; Long Beach, California; Canandaigua, New York; and San Diego, California.
 - Funds are also provided for advance planning activities, to support salaries and expenses of resident engineer staff, and to support other construction related activities.

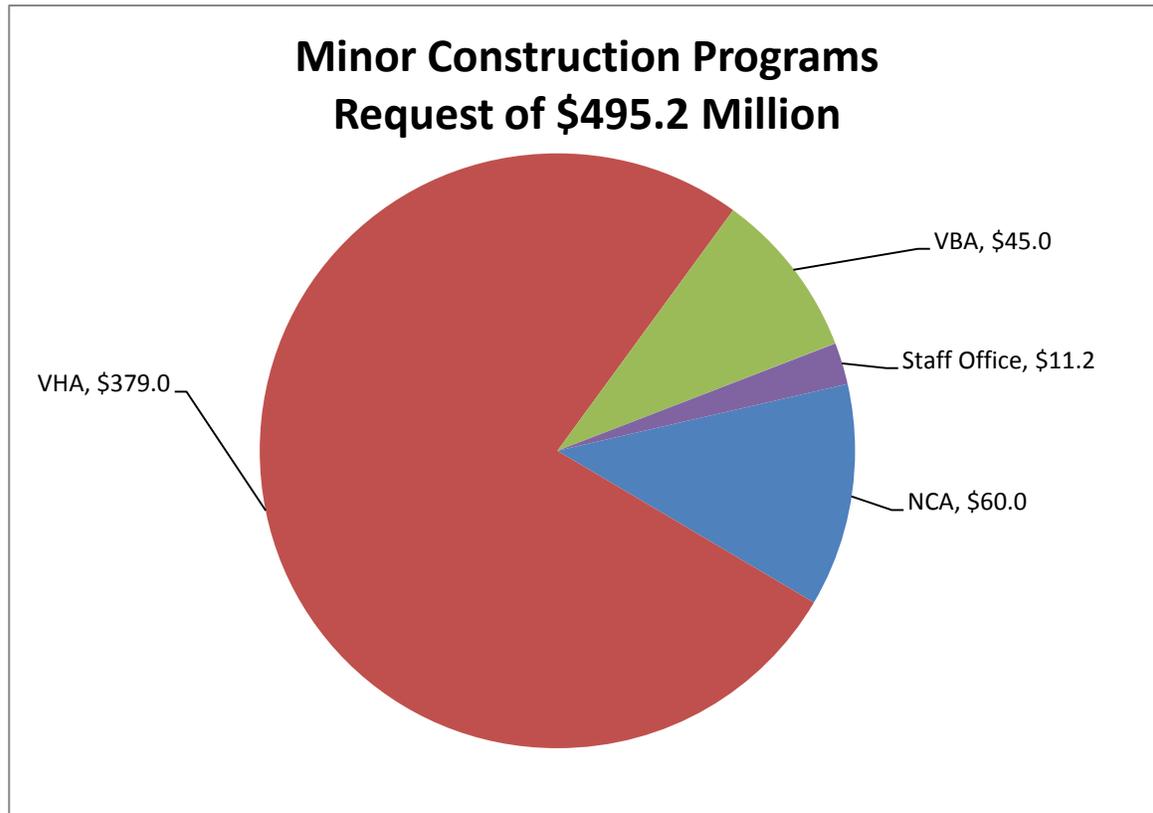
A summary of the major construction program funding level by activity is provided below:

Major Construction Detail of Request (\$ in 000's)				
Location	Description	Total Estimated Cost	Funding Through 2014	2015 Request
Veterans Health Administration (VHA)				
West Los Angeles, CA	Seismic Corrections to 12 Buildings	370,800	35,500	35,000
Long Beach, CA	Seismic Correction - Mental Health and Community Living Center Replacements	287,100	24,200	101,900
Canandaigua, NY	New Construction and Renovation - Community Living Center, Domiciliary, and Outpatient Facilities	309,500	36,580	122,400
San Diego, CA	Spinal Cord Injury and Seismic Deficiency Correction	227,100	18,340	187,500
Advance Planning Fund	Various Stations			69,000
Major Construction Staff	Various Stations			24,000
Claims Analysis	Various Stations			2,000
Hazardous Waste	Various Stations			6,000
	Subtotal, Line Items			101,000
Total VHA		1,194,500	114,620	547,800
National Cemetery Administration (NCA)				
Advance Planning Fund	Various Stations			2,500
NCA Land Acquisition Fund				7,500
	Subtotal, Line Items			10,000
Total NCA		0	0	10,000
General Administration/Staff Offices				
Department APF for Major				4,000
Total Staff Offices				4,000
Major Construction		1,194,500	114,620	561,800

Construction, Minor Projects

- Minor Construction funding of \$495,200,000 is requested for 2015.

The pie chart below reflects appropriations for Minor Construction by Administration:



- The Construction, Minor Projects appropriation provides for constructing, altering, extending, and improving any VA facility, including planning, assessments of needs, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than or equal to \$10,000,000.
- VHA's 2015 request will address the most critical minor construction needs in the system by funding efforts such as facilitating realignments; seismic corrections; improving safety; improving access to healthcare; increasing capacity for dental services; enhancing patient privacy; improving treatment of special emphasis programs; and enhancing research capability.
- NCA's 2015 Minor Construction request provides for gravesite expansion and columbaria projects to keep existing national

cemeteries open. The minor request will also fund repair projects to address infrastructure deficiencies and other requirements necessary to support National Cemetery operations.

- VBA's minor construction request in 2015 includes funding to address an ongoing national need for relocations, realignments, tenant improvements, repair and alteration projects. These projects are critical to ensuring continued world-class service delivery of benefits to veterans and their families and to the wellbeing of VA employees.
- Staff Office minor construction funds are used to make infrastructure repairs and enhancements to improve operations and provide an acceptable and operationally effective work environment for the Department's staff offices.

Grants for the Construction of State Extended Care Facilities

- \$80,000,000 for the Grants for the Construction of State Extended Care Facilities.
 - Resources for grants for construction of State extended care facilities provide funding to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans.

Grants for Construction of Veterans Cemeteries

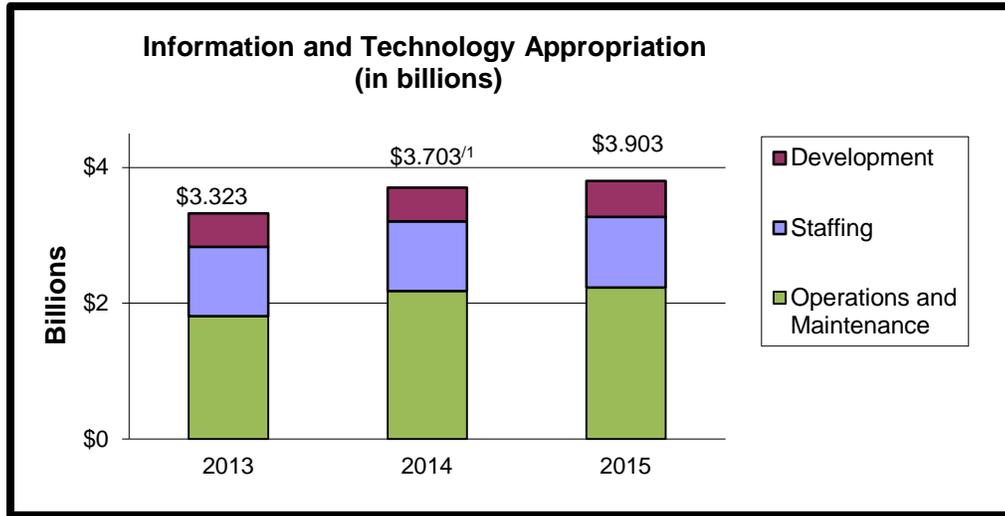
- \$45,000,000 for Grants for Construction of Veterans Cemeteries.
 - Grants are provided to states and tribal governments for the establishment, expansion, improvement or operation of state and tribal organization Veterans cemeteries. The state and tribal organization Veterans cemeteries complement the national cemeteries and are a critical part of ensuring that the burial needs of Veterans and eligible family members are met.

Opportunity, Growth, and Security Initiative

The Budget also includes a separate, fully paid for Opportunity, Growth, and Security Initiative that shows how additional discretionary investments in 2015 can spur economic progress, promote opportunity, and strengthen national security. Enactment of the Opportunity, Growth, and Security Initiative would allow considerably more progress in addressing VA's total future years' capital need; the Initiative includes \$258 million for major and minor construction, including the continuation of another partially funded major medical facility project in San Francisco, CA. Please see Volume 4, Chapter 7 for additional detail on this Initiative.



Information Technology Programs



¹/Reflects the Consolidated Appropriations Act, 2014 (P.L. 113-76)

IT Staffing Levels			
	2013	2014	2015
Full-Time Equivalents	7,362	7,429	7,427

Overview

- The 2015 request for Information and Technology (IT) is \$3.903 billion, an increase of \$200 million (5.4 percent) from 2014. VA's level of IT investment is 5.7 percent of the overall VA discretionary funding and 2.4 percent of VA's total funding.
- \$2.3 billion for the operations and maintenance of VA's IT infrastructure, an increase of \$151 million (6.9 percent) from 2014. These funds pay for the computer hardware, software maintenance, networks and phone systems at all the VA hospitals, outpatient clinics, regional benefit offices and cemeteries across the country.
- The IT budget will help improve the delivery of Veterans' healthcare services and benefits claims processing improvements. In 2015 VA will invest \$531 million, an increase of \$36 million (7.2 percent) from 2014 for the development of IT solutions.

- The request includes \$1.039 billion in 2015 to support 7,325 direct FTE, with an additional \$8 million in estimated reimbursements to support 102 reimbursable FTE for this national level IT organization. Around the clock operations are required especially for the electronic medical health record and support for Veterans' benefits claims processing.

Summary of the IT Budget Request

IT funding requested to support the development and sustainment of VA's Business Services and Medical Care includes the following:

- \$269 million for the development and sustainment (operations) of the VistA Evolution effort and \$57 million for the development and sustainment of interoperability for the electronic health record.
- \$156 million for information security programs which protect Veteran's privacy and provide secure IT operations across VA.
- \$137 million for the Veterans Benefits Management System, to complete the functionality required to electronically process disability compensation claims from end-to-end in VBMS
- \$100 million for the Veterans Relationship Management initiative, which will increase the number of flexible communication channels for Veterans to receive information such as the Virtual Call Center and self-service capabilities through the eBenefits portal.
- \$46 million for the New Models of Health Care (NMHC) initiative. Examples of information technology projects under this initiative include: explore novel uses of Telehealth technology to bring specialized services to more remote locations, improve access, and reduce patient travel. Expand secure messaging and My HealtheVet and evaluate new non-hospital approaches to providing acute inpatient services.
- \$43 million for the Health Care Electronic Data Interchange (EDI) initiative. This system automates the transfer of health eligibility, claims, authorization and remittance data in specific formats, following data content standards between health care providers and payers. This activity, between VA and over 200,000 non-VA providers. Automating transactions through EDI lowers costs per claim and improves accuracy and timeliness of claims processing.
- \$10 million for the Virtual Lifetime Electronic Record (Core) will enable VA and Department of Defense (DoD) to share care coordination plans for Servicemembers and Veterans with multiple care coordinators. Additionally, this will enable VA systems to access demographics information stored in the DoD authoritative source via VLER Data Access Service.

- \$11 million for the Access to Healthcare initiative that will fund Bed Hold software that will improve Veterans' access to beds by more effectively managing the length of time beds are held for patients.

Management Initiatives

VA utilizes a rigorous department-wide IT project management approach that halts programs that fail to meet delivery milestones.

The Project Management Accountability System (PMAS) is specifically designed to improve the results of IT investments at VA through the use of incremental product build methods to focus on near-term, assured deliveries of new capabilities. Benefits of PMAS include the following:

- Enhances business effectiveness through frequent delivery of functionality
- Re-balances requirements with available staffing
- Enables VA to focus on troubled projects early and implement corrective actions quickly through real-time performance indicators
- 2013 was the third, full fiscal year in which all IT development projects were managed under the PMAS framework. VA OIT managed 204 total delivery increments and delivered 167 of them on time – an 81.9% on-time delivery rate. Of the projects that did not deliver on time, 35% delivered within a month and more than 95% eventually delivered on their commitments.
- In 2013, the PMAS Dashboard, a pilot effort, was replaced with a new, stable Dashboard built on industry standard technology that uses a secure infrastructure environment. The new PMAS Dashboard is a robust data-reporting tool, which offers near-real time access to data and provides meaningful reports, which allow PMAS predictive analysis and modeling.

VA implemented the CRISP initiative, an integrated effort to increase the effectiveness of existing protections for both sensitive information and the integrity of the VA systems. In FY 2013 an exercise to test the coordination of incident response efforts across the staff offices was implemented. Also, 80 PIV Card Issuing Station Assessments, were conducted, under a partnership with the Office of Security and Preparedness.

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Proposed Legislation Summary

Summary of Legislation Proposed

Medical Care - Proposed Legislation

The eight following legislative proposals have a budgetary impact.

Extend CHAMPVA Healthcare Benefits for Beneficiaries up to age 26: Currently, under title 38, U.S.C., an unmarried child of a qualifying Veteran can be covered under CHAMPVA until the age of 18 (or after if the child became permanently incapable of self-support before attaining the age of 18). Eligibility can be extended until the age of 23, if the child is pursuing a course of instruction at an approved school. Section 2714 of the Public Health Service Act, as amended by ACA, requires group health plans and health insurance issuers that offer dependent coverage of children, to make such coverage available for adult children until age 26. Because CHAMPVA is not considered a group health plan or health insurance issuer as those terms are defined by law, those requirements do not apply to CHAMPVA, and a legislative change is required to extend CHAMPVA coverage for children beyond the age limits specified above. VA proposes to extend coverage of children under CHAMPVA up to age 26 regardless of marital status or school enrollment status so that eligibility for children under CHAMPVA will be consistent with certain private sector coverage under the ACA.

Extend Authorization for Health Professionals Educational Assistance Program: Legislation will be proposed to amend 38 USC 7619 to extend the current sunset date of December 14, 2014, for the Health Professionals Educational Assistance Program (HPEAP) by extending authorization for the program for an additional five years to offer scholarships under this program to help meet recruitment and retention needs for critical health care providers. The final rule for HPEAP was published in the Federal Register and was effective as of September 19, 2013. Therefore under the current sunset, this program would only be operative for one year. Extending the program through 2019 will enable VA to offer scholarships to meet the future needs for health care professionals. This program

will help alleviate the health care workforce shortages in VA by obligating scholarship recipients to complete a service obligation at a VA health care facility after graduation and licensure/certification. Additionally, scholarships will enable students to gain academic credentials without additional debt burdens from student loans. Future benefits are gained in reduced recruitment costs as scholarship recipients will have obligated service agreements to fulfill. These types of obligations secure the graduates' services for up to three years and reduce turnover, and associated costs typically associated with the first two years of employment.

Transportation of Individual to and from Facilities of the Department of Veterans Affairs (VA): Legislation will be proposed to extend a recently enacted for five years the authority in 38 USC § 111A(a) to transport any person to or from a VA facility or other place in connection with certain services and treatment. This authority was enacted in January 2013 as section 202 of the Dignified Burial and Other Veterans' Benefits Improvement Act of 2012 (P.L. 112-260). P.L. 113-59 subsequently extended the expiration of this authority to December 31, 2014. VA launched a Veterans Transportation Service (VTS) initiative in 2010 to enhance, support, and organize transportation services to assist Veterans in getting to and from their VA health care appointments. Section 111A(a) allows VA to supplement volunteers with VA staff drivers. With increasing numbers of transportation-disadvantaged Veterans, there simply are not enough volunteers in all regions of the country to sustain the current level of service. Without the proposed extension, it is possible that VTS will need to be significantly reduced or curtailed, particularly in rural areas of the country.

VA Payment for Medical Foster Home: Legislation will be proposed to give VA authority to pay for Veterans' care (room, board and caregiver services) in VA-approved Medical Foster Homes (MFHs). For Veterans who would otherwise need nursing home care, MFHs provide care in a private home at much lower cost than nursing home care. Medical Foster Homes have already proven to be safe, preferable to Veterans, and highly Veteran-centric, at less than half the cost to VA as care in a nursing home. Currently, all Veterans in VA's MFH program must pay for MFH, as VA does not have authority to pay. Under this proposal, VA payment for MFH would be exclusively for Veterans who would otherwise need nursing home care. Authorizing VA to pay for certain MFH care would result in more Veterans receiving long-term care in a preferred setting, with substantial reductions in costs to VA.

Waiver of 24-Month Eligibility Requirement for Emergency Treatment: Legislation will be proposed to add subparagraph "(C)" to section 1725(b)(2) of title 38, U.S.C., to provide an exception to the 24-month requirement in

§1725(b)(2)(B) for Veterans who have recently enrolled in the VA health care system but have not received care or services under chapter 17 due to wait times associated with their initial appointment at a VA medical facility. Currently, Veterans who are enrolled in the VA health care system, but have not received care or services from VA under chapter 17, lack eligibility for payment or reimbursement for non-VA emergency treatment under § 1725. Under the current statute, payment for such treatment would be administratively denied because the Veteran had not received care or services in the last 24 months from VA under chapter 17, even if the Veteran had requested and was scheduled for a new patient examination. If adopted, this proposed change would address the restrictive nature of the 24-month requirement included in §1725(b)(2)(B) and provide otherwise eligible recently enrolled Veterans with the “safety net” of non-VA emergency coverage.

Smoke-Free Environment: Legislation will be proposed to repeal section 526 of Public Law 102-585 which requires VA to designate smoking areas at VA medical centers, nursing homes, and domiciliaries. It would prohibit all smoking on the grounds of these VA health care facilities to make them completely smoke-free. Currently section 526 of Public Law 102-585, enacted in 1992, requires VA to provide suitable smoking areas, either an indoor area or a detached building, for patients or residents who desire to smoke tobacco products. Currently, there are approximately 3,800 facilities in the United States that have adopted 100% smoke-free policies that extend to all their facilities, grounds, and office buildings. Numerous Department of Defense medical treatment facilities (MTF) have become tobacco-free as well. VA health care providers and visitors do not have the same level of protection from the hazardous effects of second-hand smoke exposures as do patients and employees in these other systems. Currently, approximately 20% of Veterans enrolled in VA health care are smokers. Many of the non-smokers are also older Veterans who may be at higher risk for cardiac or other conditions that may make them even more vulnerable to the cardiovascular events associated with secondhand smoke. As with patients of other health care systems, Veteran patients have a right to be protected from secondhand smoke exposures when seeking health care at a VA facility. For Veterans who are inpatients, nicotine replacement therapy is currently available so they would not have to experience nicotine withdrawal during hospital admissions.

Remove Requirement that VA Reimburse Certain Employees for Professional Education: Legislation will be proposed to eliminate title 38, United States Code, section 7411 that states “The Secretary shall reimburse any full-time board-certified physician or dentist appointed under section 7401 (1) of this title for expenses incurred, up to \$1,000 per year, for continuing professional education.” VHA has a long history of providing educational and training support to all

clinical and administrative staff. The Employee Education System and VA Learning University offer a large course catalog with opportunities for physicians and dentists, as well as other occupations, to obtain continuing professional education at VA expense. VHA will continue to manage training and education funding within long-standing parameters in conjunction with published policies at the national and local levels. Continuing this entitlement under section 7411 is no longer necessary, given the improved competitive recruitment position resulting from the new pay system.

Clarify Breach of Agreement under the Employee Incentive Scholarship Program (EISP): Legislation will be proposed to amend title 38, United States Code, chapter 76, section 7675, subchapter VI, to provide that full-time student participants in the EISP would have the same liability as part-time students for breaching an agreement by leaving VA employment. The current statute clearly limits liability to part-time student status participants who leave VA employment prior to completion of their education program. This allows a scholarship participant who meets the definition of full-time student to leave VA employment prior to completion of the education program and breach the agreement with no liability. This proposal would provide the same liability to both full and part-time students who breach the agreement by leaving VA employment. All other employee recruitment/retention incentive programs have a service obligation and liability component. This proposal would result in cost savings for the Department by recovering the education funds provided to employees who leave VA employment prior to fulfilling their agreement.

The thirty following legislative proposals have no impact on the budget in 2015 and 2016:

Allow VA to Release Patient Information to Health Plans (increases collections): This proposal would amend 38 U.S.C. § 7332(b) to permit the disclosure of VA records of the identity, diagnosis, prognosis or treatment of a patient relating to drug abuse, alcoholism or alcohol abuse, infection with the human immunodeficiency virus (HIV), or sickle cell anemia (referred to as 7332-protected conditions or information) to health plans for the purpose of VA obtaining reimbursement for the cost of nonservice-connected care. The Veterans Health Administration (VHA) is prohibited from disclosing information identifying a patient as having been treated for 7332-protected conditions for any purposes not specified in 38 U.S.C. § 7332 unless a signed, written consent is obtained from the patient. VA must obtain signed, written consents to bill health plans for each treatment of a patient relating to 7332-protected conditions. Often it is not possible to obtain this signed, written consent for a variety of reasons. Some patients refuse to sign the written consent, while other patients are incapacitated

at the time of care. Written requests to the patient following treatment often result in no response. One of the major clinical areas affected by the current statutory language is testing for and care of HIV infection within VA. VA may not condition treatment on the Veteran signing an authorization to allow VA to disclose 7332-protected information to health plans or health insurance carriers for payment activities. For VA to bill health plans or health insurance carriers for all admissions and episodes of care for nonservice-connected disabilities, a provision authorizing this disclosure activity needs to be included in 38 U.S.C. 7332(b). This provision would ensure that the use of this information for billing purposes would be consistent with its use for treatment purposes in VA – that no consent is needed for either purpose.

Consider VA a Participating Provider for “Purpose of Reimbursement” (increases collections): The proposal would require VA to be treated as a participating provider of a health plan, thus preventing the effect of excluding coverage or limiting payment by a health insurer or other third-party payer for the cost of VA medical care and services provided to Veterans for nonservice-connected conditions. With the enactment of the Balanced Budget Act of 1997, Public Law 105-33, § 8023(a), codified at 38 U.S.C. § 1729A, VA was authorized to retain collections from third-party payers and certain co-payments. VA can use these collections to fund medical care to Veterans and to pay for its medical care collection expenses. This law also authorized VA to collect reasonable charges based on the amounts that health insurers would pay for the same care provided by non-government health care providers in the same geographic area. This proposal would prevent a health insurer from denying or reducing payment to VA on the grounds that VA is not a participating provider.

Extend Authorization of Appropriations for Support Services for Veteran Families (SSVF) Program:

Legislation will be proposed which would amend 38 U.S.C. § 2044(e) to authorize funding for FY 2015 and beyond and to authorize an additional \$2 million for each fiscal year to support the provision of technical assistance to grantees pursuant to 38 USC 2044(d). Currently, 38 U.S.C. § 2044 only authorizes funding for \$300 million from amounts appropriated to VA for medical services through the end of FY 2014. The SSVF Program is the only VA homeless program that is national in scope that can provide direct services to both Veterans and their family members (including the provision of child care). Recent Community Homelessness Assessment, Local Education and Networking Groups (CHALENG) reports indicate that homeless and formerly homeless Veterans consider family concerns as their highest unmet need. Currently, approximately 1.3 million Veterans live in poverty. Estimates from the 2010 Annual

Homelessness Assessment Report (AHAR) indicate that 13 percent of all Veterans in poverty will become homeless at some point during the year. Prevention services are critical to reducing this incidence of homelessness. Fully funding the SSVF Program at the requested amounts would allow VA to serve approximately 100,000 participants annually.

Require Non-VA Facilities and Providers Who Accept Federal Medicare Payments to Accept VA Payments Based on a Medicare Payment Methodology: Since July 1, 1987, Medicare-participating hospitals that provide inpatient hospital services have been required to participate in VA's contract-care program authorized by 38 U.S.C. § 1703 (then § 603), expressly subjecting them to VA's payment rules. See § 233 of Pub.L. 99-576 (1986), codified at 42 U.S.C. § 1395cc(a)(1)(L). However, 38 U.S.C. § 1703 authorizes both hospital care and outpatient medical services for eligible Veterans. Medicare-participating facilities other than hospitals which provide inpatient care and providers are not required to accept VA patients or VA's payment rates as a condition of Medicare participation. This gap has proved especially problematic since December 2010 when VA adopted a Medicare payment methodology for non-VA outpatient medical services and (inpatient and outpatient) professional services. In response to these rate changes, some non-VA Medicare-participating providers who accept VA referrals have informed VA that they will not accept the VA payment amount, i.e., the rates based on the Medicare methodology. These are the same providers that already accept other Federal medical benefit payments for the same services at the same rates. Requiring Medicare-participating providers to accept VA payment rates for outpatient medical services and inpatient and outpatient professional services would increase payment consistency across the Federal health care system. It would also greatly enhance VA's ability to meet the needs of Veterans by ensuring their access to needed non-VA medical services authorized under section 1703.

Increase the Specific Authorization Amount on the Homeless Grant and Per Diem Program: This proposal would amend title 38 U.S.C. § 2013, "Authorizations of Appropriations", to increase the authorization cap to \$250 million for grants and per diem payments for fiscal year 2015 and for each subsequent fiscal year.

Extend Homeless Grant and Per Diem Program to Support a "Transition in Place" Model toward Permanent Housing: This proposal would amend 38 U.S.C. § 2012, the per diem component of the Department's Homeless Providers Grant and Per Diem Program (GPD Program), to authorize per diem payments to entities receiving grants under section 2011, or entities eligible to receive such grants, to transition Veterans from transitional to permanent housing. The legislation would establish the maximum rate for such per diem at one hundred and fifty

percent of the current per diem rate for domiciliary care under section 1741(a)(1)(A). Entities receiving per diem for converting transitional housing beds to permanent housing would be required to replace each VA-funded transitional housing bed converted to permanent housing.

Currently, GPD Program assistance is limited to transitional housing and supportive services. No Homeless Veterans Program authorizes Departmental support of permanent housing except for supportive services provided in connection with HUD-VASH. The GPD Program law caps per diem at the rate for domiciliary care in State homes under section 1741(a)(1)(A). Supporting Veterans' transition from homelessness to permanent housing is fundamental to ending homelessness among Veterans. By allowing Veterans to "transition in place" to permanent housing, the Department would provide a valuable alternative for Veterans who may not need or be interested in participating in HUD/VASH.

Establish a Central Nonprofit Corporation for Research (NPC): With the establishment of the central NPC, VA would be able to negotiate and implement national level research and education projects that are beyond the scope of the local NPCs. The proposal would permit the establishment of a national level NPC that is not affiliated with a particular VAMC, but has the capability to operate with any or all VAMCs, including those with a local NPC. The central NPC would facilitate national medical research and education projects conducted by VA in conjunction with non-VA and non-Federal entities with an emphasis on interdisciplinary interchange and dialogue between these participants. The central NPC would not take the place of the local NPCs, but rather would work with them to facilitate those elements of national-scope research and education projects that are conducted at the local level. This streamlining of effort through the central NPC for national level projects would in turn make VA a more appealing research collaborator to both federal and private research sponsors.

Technical Amendment to Clarify Individual Authorizations for Non-VA Services: 38 U.S.C. 1703 authorizes the Secretary to contract with non-VA facilities for care and services for certain Veterans when VA is unable to furnish economical care or services due to geographical inaccessibility or because VA facilities are not capable of providing needed care or services. VA regulations implementing the authority in section 1703 have long provided that "individual authorizations" may be used as a method of making infrequent purchases of necessary non-VA health care for eligible Veterans. Individual authorizations provide the flexibility to purchase services necessary to a full continuum of care based on the patient's condition, frequency of need, and quality of care issues which would otherwise be unavailable from VA without negotiating the purchase under formal

contracting provisions. VA proposes to amend section 1703 to clarify that VA is not limited to formal contracting when purchasing health care services under this authority.

Exempt Medal of Honor Awardees from Copayment Requirements: Section 512 of Public Law 111-163 amended 38 USC 1705 to add certain Veterans who were awarded the Medal of Honor to the list of Veterans included in enrollment priority group 3; however, this provision did not make any corresponding amendments to 38 USC 1710, 38 USC 1710B, or 38 USC 1722A to exempt these Veterans from copayment requirements. VA proposes to amend these provisions to specifically exempt Medal of Honor awardees from VA copayment requirements. The Medal of Honor awardees are highly courageous Veterans who served their country without regard for their own safety or well-being. VA believes making them exempt from copayment requirements is appropriate recognition of their service and ensures that they can receive cost-free care to maintain their well-being.

Make VA an Ex Officio Member of the Association of Military Surgeons of the United States: Although VA has long participated in Association of Military Surgeons of the United States (AMSUS) as an equal partner with the other constituent services, VA has never been officially incorporated into the organization. The purpose of this proposal is to correct a long-standing inconsistency by making the Department of Veterans Affairs (VA) an ex officio Member of AMSUS. Becoming an ex officio member of AMSUS would permit VA to help organize and host the AMSUS annual meeting without the additional steps to justify our involvement. These annual meetings are valuable to VHA because AMSUS provides a platform for sharing with other Federal health care entities. The program serves as continuing education for health care professionals across multiple disciplines.

Extend Authority to Provide Care and Services to Mentally Ill and Homeless Veterans: Title 38 USC § 2031 states, “(a) In providing care and services under section 1710 of this title to veterans suffering from serious mental illness, including veterans who are homeless, the Secretary may provide (directly or in conjunction with a governmental or other entity) - (1) outreach services; (2) care, treatment, and rehabilitative services (directly or by contract in community-based treatment facilities, including halfway houses); and (3) therapeutic transitional housing assistance under section 2032 of this title, in conjunction with work therapy under subsection (a) or (b) of section 1718 of this title and outpatient care.” This authority expires on December 31, 2014. VA proposes to extend the authority through December 31, 2016.

Extend Authority to Provide Expanded Services to Homeless Veterans: Title 38 USC § 2033 authorizes VA, subject to the availability of appropriations, to operate a program to expand and improve the provision of benefits and services to

homeless Veterans. The program includes the establishment of centers for the provision of comprehensive services to homeless veterans in the 20 largest metropolitan statistical areas. Section 2033 will expire on December 31, 2014. VA proposes to extend this authority through December 31, 2016.

Extend Authority for the Homeless Veterans Advisory Committee: Title 38 USC § 2066 established an Advisory Committee on Homeless Veterans. Pursuant to § 2066(d), the Committee will cease to exist on December 31, 2014. VA proposes to extend this authority through December 31, 2016.

Make Permanent Authority to Charge Certain Copayments for Hospital Care: Public Law 113-37, § 2(c), extended until September 30, 2014 VA's authority to collect specified copayments for hospital care of certain Veterans pursuant to 38 USC § 1710(f). VA requests that this authority be made permanent.

Make Permanent Authority to Recover Costs from Insurance Companies: Public Law 113-37, § 2(d) extended VA's authority pursuant to 38 U.S.C. 1729 through October 1, 2014, to recover from health-plan contracts VA's reasonable charges for medical care and services for nonservice-connected conditions of Veterans with service-connected disabilities. The proposal would make this authority permanent.

Extend Authority Requiring VA to Provide Nursing Home Care to Certain Veterans: Title 38 USC § 1710A(a) requires VA, subject to appropriations for such purpose, to provide nursing home care that the Secretary determines is needed (1) to any Veteran in need of such care for a service-connected disability, and (2) to any Veteran who is in need of such care and who has a service-connected disability rated at 70 percent or more. This authority is currently due to expire December 31, 2014. VA proposes to extend current authority through December 31, 2020.

Authority to offer capital grants for Special Need Populations under Homeless Grant and Per Diem (GPD) Program: This legislative proposal seeks to amend 38 U.S.C. § 2061 to grant VA permanent authority to offer capital grants for homeless veterans with special needs on the same basis as the grants currently made to homeless veteran providers under the VA Homeless Grant and Per Diem (GPD) Program pursuant to 38 U.S.C. § 2011. Veterans with special needs are defined in

38 U.S.C. § 2061, as amended by the recent passage of P.L. 112-154 § 203. This proposal also would amend section 2061 by removing the requirement that VA make grants to VA health care facilities and amend Subchapter VII of Chapter 20, by adding new section 2061A to establish a per diem program for homeless veterans with special needs. The new program would mirror the requirements of the per diem component of the GPD Program. However, recognizing the additional operational expenses incurred by providers serving this group of veterans, per diem would be capped at twice the domiciliary rate under the State home program. (Per Diem under the GPD Program is capped at the State home domiciliary rate.) This authority would be permanent.

Amend Title 38 U.S.C. §1720D to include Veterans who experienced sexual trauma while serving on inactive duty for training: VA proposes that 38 U.S.C. §1720D be amended to include Veterans who experienced sexual trauma (as that term is defined by section 1720D) while serving on inactive duty for training. Currently, VA's counseling and care authority extends only to those whose sexual trauma occurred while they were serving on active duty or on active duty for training. See 38 U.S.C. 1720D(a)(1).

Proposal to establish homelessness as a criterion for the provision of temporary lodging: VA proposes to amend Subchapter I of Chapter 17, title 38 by adding new section 1708A to allow VA to provide temporary lodging in the form of emergency hotel stays to homeless Veterans awaiting placement in permanent and/or transitional housing or other suitable housing alternatives. Veterans placed in such temporary lodging would also receive case management and other forms of treatment and support from existing homeless case managers. This proposal is both consistent with and essential to the Secretary's Plan to End Homelessness Among Veterans, and VA's operating philosophy of "no wrong door" - meaning that all Veterans seeking to prevent or exit homelessness must have easy access to programs and services.

Recovery of Medical Care Reasonable Charges from Third-Party Insurers: VA proposes to amend 38 U.S.C 1729 to clarify VA's authority to recover reasonable charges from third parties for care provided to Veterans or other individuals. VA routinely provides medical care for non-service connected conditions to Veterans who are covered by health insurance or other third-party coverage. VA appropriately bills the third party for the reasonable charges of the Veterans' care. Over the years, some of the terminology used to describe third-party payers has changed, and the new terminology is sometimes relied upon by payers to deny or reduce reimbursements to VA. The proposal would also improve VA's collection program by providing authority to bill and collect from health insurers when VA medical care is provided to a non-Veteran. Under current law, although the

individual is liable for the cost of the care, VA has no authority to bill and recover from the individual's health insurer. Clarification of VA's collection authority is needed to maintain VA's ability to recoup reasonable charges from health insurers and other third parties.

Veterans' Access to Additional Generic Drugs Currently Available to Private Sector Patients: VA is proposing that the Federal Acquisition Regulation (FAR) be modified to allow VA pharmaceutical procurements to be exempt from the Trade Agreements Act (TAA) and Buy American Act (BAA). Currently, there are numerous generic drugs made in Food and Drug Administration (FDA) approved manufacturing facilities in non-TAA countries. Even though these products are made in FDA approved manufacturing plants and are used extensively in the private sector in the United States, the TAA makes it difficult if not impossible for VA to purchase these products in times of national drug shortages. VA is experiencing numerous and prolonged shortages of some pharmaceuticals and these shortages are affecting patient care, because prescription quantities must be decreased from 90-day supplies to 30-day supplies and/or patients must be switched to other drugs. At lower dollar thresholds, the BAA also restricts VA's ability to purchase pharmaceuticals. The private sector is not experiencing these shortages because of their ability to purchase drugs regardless of where they were manufactured. VA would only use this new authority in drug shortage situations where medically necessary drugs are in short supply or not available from sources that conform to TAA and BAA but are readily available from non TAA or non BAA conforming sources. VA would purchase pharmaceuticals not in short supply in conformance with the TAA and BAA. These situations are sporadic and usually for short duration.

Advance Medical Directives of Veterans Requirement for Recognition of Completed VA Form 10-0137 by States: This proposal seeks to amend Title 38 United States Code (U.S.C.) by adding a new section 7335 to create parity between VA and DoD by specifying that a VA advance directive (VA Form 10-0137) shall be given the same legal effect as any valid State advance directive. DoD's comparable provision for recognition of military advance medical directives by States is 10 U.S.C. §1044c. Currently, there is no formal mechanism allowing legal recognition of completed VA Form 10-0137 ("VA Advance Directive: Durable Power of Attorney for Health Care and Living Will") outside of VA health care facilities. As a result, although the Veteran population is highly mobile, Veterans' VA advance directives are not portable except within the national VA system. If a Veteran seeks care at a community hospital or is transported there in an emergency situation, the Veteran's wishes and preferences stated on VA Form 10-0137 have no legal weight.

Verification of Income for Certain Veterans who Receive Beneficiary Travel Benefits and are exempt from Medication Copayments: VA proposes to clarify its legal authority to conduct income verification for purposes of determining and medication copayment exemption and beneficiary travel eligibility and deductible waivers when based on a Veteran's income. As discussed in 38 U.S.C. 5317, the Secretary may compare financial information furnished by a Veteran or other applicant with information obtained from the Commissioner of Social Security and the Secretary of the Treasury for the purposes of income verification in certain VA benefit and service programs.

This income verification ensures a reasonable check and balance that guards against waste, fraud and abuse. In order to protect resources and ensure that eligible Veterans receive appropriate benefits, VA proposes to clarify the Secretary's authority to conduct income verification for certain Veterans who, based on their income, receive beneficiary travel benefits and are exempt from medication copayments requirements.

Deletion of Classification Under Supportive Services for Veteran Families (SSVF) Program: Current statutory authority (38 U.S.C. 2044(b)(1-3)) creates three groups of very low-income Veterans eligible for the SSVF Program. VA proposes that the third group be removed, by deleting subparagraph 38 U.S.C 2044(b)(3). Based on current operations, VA has determined that this third group duplicates the second group (38 U.S.C 2044(b)(2)) since both groups identify homeless Veteran families. This duplication creates confusion about how to classify participants when grantees report data to the Department of Housing and Urban Development's (HUD) national database - the Homeless Management Information System (HMIS) - since this third group does not exist in HMIS. As a result, SSVF outcome data cannot be directly compared to similar programs that use HMIS, such as HUD's Homeless Prevention and Rapid Re-Housing (HPRP) program and HUD's Emergency Solutions Grant (ESG). The comparison of SSVF outcome data with these programs is essential for measuring the effectiveness of VA and HUD homeless programs.

Modify Crediting of Hours Worked by Registered Nurses on the 72/80 Alternate Work Schedule: This proposal would modify 38 U.S.C. 7456A to allow hours worked on tours of duty that cross over from the last day of a pay period into the first day of the following pay period by registered nurses on an approved 72/80 alternate work schedule to be credited as if all hours were worked on the last day of the pay period in which the tour of duty began. The 72/80 alternate work schedule would be most advantageous to VA if it could be used to provide coverage for weekend tours of duty that are typically difficult to staff. The

proposed language allows VA to maintain a standard administrative work week and pay period for all employees while achieving maximum scheduling flexibility for nurses on a 72/80 alternate work schedule.

Secretary Authority to Regulate Leave Pay for Title 38 Hybrid employees and Title 5 Health Care Workers: This proposal would modify 38 U.S.C. § 7454 to expand the definition of compensation to include pay earned by employees when performing work or when using paid leave or other paid time off. This will clarify that the Secretary may regulate pay authorized under 38 U.S.C. § 7454 for title 38 hybrid employees and title 5 health care workers when performing work or when using paid leave or other paid time off which will allow the Secretary to issue Department policy to prohibit weekend pay and night differential for periods of leave consistent with government-wide regulations and the Department's prior understanding and intent.

Technical Amendment to Overtime Provisions for Registered Nurses on the 72/80 Alternate Work Schedule: This proposal would modify 38 U.S.C. 7456A to provide that registered nurses on an approved 72/80 alternate work schedule shall only be entitled to officially ordered and approved overtime for hours worked in excess of their regularly scheduled tour of duty. The Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111-163, dated May 5, 2010) that established the 72/80 work schedule did not include the necessary conforming amendments to the overtime provisions for nurses on this alternate work schedule. As a result, nurses may be entitled to overtime pay for non-overtime hours.

Extend Authorization of Appropriations for Homeless Providers Grant and Per Diem Special Needs Program: VA proposes to extend the authorization of appropriations contained in 38 U.S.C. § 2061(d)(1) in order to authorize appropriations to make grants to health care facilities of the Department and grant and per diem providers (GPD) carrying out programs for homeless Veterans with special needs. The current authorization expires on December 31, 2014. VA proposes to extend this authorization through 2015 and beyond.

Extend the Joint DoD-VA Medical Facility Demonstration Fund authority for one year until September 30, 2016: This authority, found in Section 1704 of the Fiscal Year 2010 National Defense Authorization Act (Public Law 111-84, October 28, 2009) will expire after September 30, 2015. VA requests this authority be extended by one year, through September 30, 2016, to enable VA and the Department of Defense to conclude the report on the Captain James A. Lovell Federal Health Care Center (FHCC) demonstration in a fashion that will fully inform considerations for the future direction of the joint endeavor.

Extend the DoD-VA Health Care Sharing Incentive Fund (JIF) for five years until September 30, 2020: The JIF is scheduled to sunset on September 30, 2015. This authority was established in Section 721 of the Fiscal Year 2003 National Defense Authorization Act, codified at 38 USC Section 8111(d). Unless the program is extended by Congress, VA and DoD will not have the same flexibility to develop and pursue these collaborative joint proposals at the local, regional and national levels. Extension of the JIF authority will ensure the continued development and implementation of joint projects that will benefit the delivery of health care to beneficiaries of both departments.

Construction - Proposed Legislation

Allow Transfers to/from VA Capital Accounts in Support of Joint Federal Facilities: The proposal would allow the Department to transfer and/or receive funds (major and minor construction) to/from another Federal agency for use in the planning, design, and/or construction of a medical facility that would be shared with another Federal agency (for example, the Department of Defense). It would also allow the transfer (from the medical facility appropriation) or receiving of funds to/from other Federal agencies for the purpose of leasing space for a shared medical facility, after section 8104 authorization requirements have been met. In order to foster collaboration, VA will also request to amend the definition of a "medical facility" to include any facility or part thereof which is, or will be, under the jurisdiction of the Secretary, or as otherwise authorized by law, for the provision of health-care services.

Compensation and Pensions - Proposed Legislation

Compensation Cost of Living Adjustment (COLA) Legislation will be proposed to provide a cost of living increase to all Compensation beneficiaries, including DIC spouses and children, effective December 1, 2014. The percent increase will align with estimated annual increases in the Consumer Price Index (CPI) and Social Security Benefits. That increase would result in an increase of \$750.3 million in 2015, \$4.7 billion in five years, and \$10.3 billion in 10 years.

Extension of COLA Round-Down: This proposal would amend title 38, U.S. Code (USC), sections 1303(a) and 1104(a) to provide a five-year round-down provision of the computation of the cost of living adjustment (COLA) for service-connected compensation and dependency and indemnity compensation (DIC). Public Law 108-183 extended the ending date of this provision to 2013, but the provision has now expired. The COLA round down provision for five years, beginning in 2015,

results in cost savings. The benefit savings are estimated to be \$30.0 million in 2015, \$545.4 million for five years, and \$1.7 billion over ten years as a result of the compounding effects of rounding down the COLA from 2015 through 2019.

Elimination of Payment of Benefits to the Estates of Deceased Nehmer Class Members and to the Survivors of Certain Class Members

This proposal would amend 38 USC section 1116 to eliminate payment of benefits to the estates of deceased Nehmer class members and to survivors of certain class members when such benefits are the result of presumptions of service connection established pursuant to section 1116 for diseases associated with exposure to certain herbicide agents. VA cannot predict any future costs or savings as a result of this enactment because it is not possible to predict if additional presumptive conditions will be added and paid as a service connected disability.

Attendance at Transition Assistant Program (TAP) training or access to eBenefits meets the requirements to notify Veterans by letter of VA benefits and services

This proposal will amend 38 USC, section 6303(b) to authorize VA to use TAP and eBenefits to notify each transitioning Veteran of all VA benefits and services for which they may be eligible. Currently, the statute requires VA to send each Veteran a letter with benefits information. For those Veterans discharged or separated without a high-school diploma, this proposal would also eliminate the requirement for VA to make in-person or telephone contact regarding their eligibility for benefits, except in instances where they did not attend a TAP briefing or were not receiving information through eBenefits. There are no benefits costs associated with this proposal.

Permit VA to adjudicate and pay claims for survivors benefits without the need for the filing of a formal claim

VA seeks to amend 38 USC, section 5101, which requires survivors to file a claim in order for VA to pay benefits to any individual under the laws administered by the Secretary of Veterans Affairs. Although section 5101 currently requires claimants to file a form as a condition of receiving VA benefits, VA seeks authority to initiate and pay a survivor's "claim" without receipt of a formal application whenever sufficient evidence is of record to begin processing such claim. VA's intent with this proposal is to automate the delivery of uninterrupted benefits to surviving spouses for whom VA has sufficient evidence of record to determine eligibility. For VA to automate payment of these benefits, VA seeks to amend section 5101 to exclude survivors' benefits from the formal claim requirement. There are no benefits costs associated with this proposal.

Elimination of Certain Apportionments of C&P or VR&E Benefits to a Veteran's Spouse or Child: VA seeks to repeal subsections (a)(1), (a)(2), and (c) from 38 U.S.C. § 5307. Subsection (a)(1) provides that a Veteran's benefit payment may be apportioned to the Veteran's spouse, child, or dependent parent when the Veteran is being furnished hospital treatment, institutional, or domiciliary care by the United States. Subsection (a)(2) provides that all or part of a Veteran's compensation or pension may be apportioned as prescribed by the Secretary when the spouse does not live with the Veteran, or the child(ren) are not in the custody of the Veteran. Subsection (c) provides that all or part of the subsistence allowance payable to a Veteran under chapter 31 may be apportioned as prescribed by the Secretary when the spouse does not live with the Veteran, or the child(ren) are not in the custody of the Veteran. The VA will no longer arbitrate domestic appropriations, and it has been decided by the VA that family courts shall make these decisions. There are no benefit costs or savings associated with this proposal.

Extending Delimiting Date for Surviving Spouses of Gulf War Veterans: This proposal would update and extend the statutory marriage delimiting date for surviving spouses of Gulf War Veterans for purposes of determining entitlement to death pensions. 38 U.S.C. § 1541 (f)(1) states that pension benefits cannot be paid to a surviving spouse of a Gulf War Veteran unless the claimant was married to the Veteran for at least one year immediately preceding the Veteran's death, or a child was born of or before the marriage, or the marriage occurred before January 1, 2001. Updating the language and extending the delimiting dates in this proposal will not affect current benefits and will not incur obligations in any given fiscal year since the changes serve to clarify long standing VA practice. There are no benefit costs or savings associated with this proposal.

Update the Effective Date Statute to Conform to Prior Legislation Governing Marriages: This proposal would update an effective date statute providing an effective date for regained eligibility that no longer exists by the amendment of 38 U.S.C. § 5110(l), which will be updated to conform with Title 38 U.S.C. § 103 (e) regarding recognition of a child for VA benefits purposes. In 1990, Congress eliminated from section 103(e) a provision under which a Veteran's child whose marriage was terminated by death or divorce regained recognition as the Veteran's child. Under current section 103(e), a Veteran's child whose marriage is later either declared void or annulled may regain recognition as the Veteran's child. There are no benefit costs or savings associated with this proposal.

Streamline non-VA Federal records requests: This proposal would amend 38 U.S.C. § 5103A(c)(2) to streamline non-VA Federal records requests by aligning requests for non-VA Federal records with other general requests for records

(including private records). VA is required to make “reasonable efforts to obtain relevant private records that the claimant adequately identifies to the Secretary.” There are no benefit costs or savings associated with this proposal.

Mandate forms for VA claims: This proposal would amend 38 U.S.C. § 5101 to require claimants to use specific paper and electronic applications along with approved web portals for all types of claims. This proposal supports VBA’s transformational efforts in moving to a paperless environment. There are no benefit costs or savings associated with this proposal.

Extend the authority for operations of the Manila VA Regional Office (RO): This proposal would extend the authority currently provided by 38 USC 315(b) to maintain the operations of the Manila RO from December 31, 2014, to December 31, 2017. There are no benefit costs or savings associated with this proposal.

Contract Physicians Medical Disability Examinations: This proposal seeks to amend Public Law 108-183 by amending Section 704(c) with a five year extension. This Public Law provides authority under which persons not employed by the VA carry out examinations with respect to medical disability of applicants for VA benefits. The current authority is set to expire on December 31, 2014. There are no benefit costs or savings associated with this proposal.

Closing the Evidentiary Record for Appeals: This proposal seeks to amend 38 U.S.C. § 7105 by fixing a point in the appeals process when the evidentiary record will be closed and additional material related to the claim will no longer be considered. There are no benefit costs or savings associated with this proposal.

Extension of Time for Medical Examinations for Veterans with Mental Disorders: Amend title 38 U.S.C. § 1156 to require VA to schedule a medical examination for Veterans discharged from the military due to a mental disorder no later than 18 months (rather than 6 months) after separation or discharge of such Veteran from active duty. Title 38 U.S.C. § 1156 currently requires VA to assign a temporary rating to a Veteran who, as a result of a highly stressful in-service event, has a mental disorder that is severe enough to bring about the Veteran’s discharge or release from active duty. Section 1156(a)(3) stipulates that VA shall schedule a medical examination for such Veteran not later than six months after the separation or discharge of such veteran from active duty.

Although this statute provides VA with a valuable mechanism to assign a temporary disability evaluation, performing an examination of a Veteran with a mental disorder this soon after discharge has very limited utility, is administratively burdensome, and is unfair to the Veteran. Evaluating mental

disorders to determine if the condition is stable at 6 months after discharge is premature when considering the trauma experienced by the Veteran, the limited treatment time that has elapsed, and the stressful nature of transitioning into civilian life. Performing the examination no later than 18 months after discharge allows the clinician to more accurately evaluate the severity, stability, and prognosis of the condition. This would better align with VA's current practice of scheduling reexaminations for mental disorders. When adjudicating original disability claims, VA raters generally schedule reexaminations for mental disorders (outside of the § 1156 authority) no sooner than 18 months. There are no costs or savings associated with this proposal.

Exemption to the Right to the Financial Privacy Act by Fiduciaries of VA Beneficiaries: This proposal would add a new subsection to 38 U.S.C. § 5502, which contains VA's authority to oversee and monitor the activities of fiduciaries. This new subsection will authorize an exemption to the Right to Financial Privacy Act (12 U.S.C. § 3401 et seq.) so that VA will have enhanced access to financial accounts held by all fiduciaries of VA beneficiaries. The Secretary of VA will be allowed to require each fiduciary of a VA beneficiary to provide VA with a one-time authorization to obtain from any financial institution any financial record held by the institution with respect to the VA beneficiary whenever the Secretary determines the record is needed in connection with oversight of the activities of a fiduciary, as required by 38 U.S.C. § 5502. This authorization will last the life of the fiduciary relationship plus two years, and the standing authorization will serve as a condition of appointment of a fiduciary. There are no benefit costs or savings associated with this proposal.

Revision of time limits and effective dates for herbicide presumptions: This proposal would amend 38 U.S.C. § 1116 to provide extended time limits for VA action based on reports received from the Institute of Medicine of the National Academy of Sciences (IOM) concerning the health effects of herbicide exposure. Pursuant to that statute, when VA receives a report from the IOM concerning such health effects, VA must determine, for each health effect discussed in the report, whether a presumption of service connection is warranted by reason of a positive association between the health effect and herbicide exposure. There are no benefit costs or savings associated with this proposal.

Burial - Proposed Legislation

Establish a Consistent Applicability Date for Provision of Memorial Headstones and Markers for Eligible Non-Veteran Individuals: Amend Section 2306(b) of title 38, United States Code (U.S.C.), to establish a consistent applicability date of "after November 11, 1998," for provision of memorial headstones and markers for

all eligible Veterans' spouses, surviving spouses, and dependent children. Costs are estimated to be approximately \$1 thousand in 2015 and \$19 thousand over ten years.

Align Eligibility for Burial and Presidential Memorial Certificates for Members of the Reserve Components of the Armed Forces: Amend Section 112(a) of title 38, United States Code (U.S.C.), to allow the Department of Veterans Affairs (VA) to provide a Presidential Memorial Certificate (PMC) to eligible recipients of the reserve components of the Armed Forces of the United States, Army or Air National Guard, and the Reserve Officers' Training Corps who are eligible for burial in a VA national cemetery. Costs are estimated to be approximately \$7 thousand in 2015 and \$77 thousand over ten years.

Use of Character of Service Determinations for Active Duty Deaths: This proposal would amend § 2402(a)(1) of title 38, United States Code (U.S.C.), to require that a Servicemember who dies in active service must have been serving under conditions other than dishonorable to be eligible for burial in a VA National Cemetery. It would also amend title 38, U.S.C. § 2306(b)(4)(A) and (f)(2) to impose the same requirement for eligibility for a memorial headstone or marker and amend title 38, U.S.C. § 2301(d) to do the same for a burial flag. This proposal seeks to rectify the current inequity in eligibility determinations that exists between Veterans and active duty Servicemembers, and would not result in benefits cost or savings.

Expand Authority to Provide Headstones and Markers to Eligible Spouses and Dependents at Tribal Veterans Cemeteries: This proposal would amend title 38, United States Code (U.S.C.), § 2306, to provide eligibility for headstones and markers for burial and memorialization of Veterans' eligible spouses and dependent children interred at Tribal Veterans cemeteries. Costs are estimated to be under \$14 thousand in 2015 and \$195 thousand over ten years.

Expand VA's Authority to Provide an Allowance to Transport Certain Deceased Veterans to a State or Tribal Veterans Cemetery: This proposal would amend title 38, United States Code (U.S.C.), § 2308, to expand VA's current authority to pay the cost of transporting the remains of certain deceased Veterans to the closest National cemetery for burial to include transportation for burials in a State or Tribal Veterans Cemetery. Under Section 104(b)(2) and (3) of Pub. L. No. 112-260, effective January 10, 2014, VA may only pay the cost of transporting the remains of certain deceased Veterans to the closest National Cemetery. There are no benefit costs or savings associated with this proposal.

Expand VA Authority to Provide Outer Burial Receptacles to State and Tribal Cemeteries: This proposal would amend title 38, United States Code (U.S.C.), § 2306(e), to direct VA to provide an outer burial receptacle (OBR) for each new casketed gravesite in a State or Tribal Veterans cemetery that receives a grant from the VA Veterans Cemetery Grants Program (VCGP), as well as in new VCGP establishment projects. Costs are estimated to be \$4.4 million in 2015 and \$27.3 million over ten years.

Expansion of Eligibility for Medallion or Other Device to Signify Status as Deceased Veteran: This proposal would remove the November 1, 1990, applicability date for provision of medallions to Veterans. This would allow VA to provide the medallion benefit, regardless of date of death, in order to signify the status of the deceased as a Veteran who served in the U.S. Armed Forces. A medallion is issued to be affixed to a privately-purchased headstone or marker installed at the grave of an eligible Veteran buried in a private cemetery. Costs are estimated to be \$129 thousand in 2015 and \$794 thousand over ten years.

Allow for the Provision of Government-Furnished Headstones and Markers for the Privately Marked Graves of Medal of Honor Recipients who Died Prior to November 1, 1990: This proposal would amend title 38, United States Code (U.S.C.), § 2306(d), to allow VA to furnish headstones or markers for the privately marked graves of all eligible Medal of Honor recipients (MOH) who died prior to November 1, 1990. Costs are estimated to be \$54 thousand in 2015 and \$743 thousand over ten years.

Readjustment Benefits – Proposed Legislation

Rounding Down of Certain Cost-of-Living Adjustments

Amend title 38 United States Code (USC), sections 3015(h) and 3564 to extend the sunset date for rounding-down of cost-of-living adjustments on educational assistance programs from September 30, 2015, to September 30, 2019. This proposal would affect chapter 33 (Post 9/11 GI Bill) housing benefits, chapter 35 (Survivors' and Dependents' Educational Assistance), chapter 1606 (Educational Assistance for Members of the Selected Reserve), and VR&E benefits. Savings to VA are estimated to be \$166 thousand in 2015, \$7.56 million for five years, and \$24.2 million over ten years.

Increase Funding Limitation for Contracted Counseling: Amend Title 38, USC, section 3697 to remove the annual funding limitation available to provide contract vocational and educational counseling to individuals qualifying under section 3697(A) of title 38. Benefit costs are estimated to be \$1 million in the first year, \$5million over five years and total \$10 million over ten years.

Extend Authorization of Work-Study Program: Amend section 3485 of title 38 to include as a “qualifying work-study activity” the participation in VA-approved internship activities with federal, state, and local government agencies as well as non-profit and for-profit private sector employers. Benefit costs to the Readjustment Benefits account are estimated to be \$954 thousand in the first year, \$5.1 million over five years and total \$11.5 million over ten years.

Increase Limitation on New Independent Living Cases: Amend 38 USC, section 3120 to increase the cap of 2,700 new independent living cases per year in the Vocational Rehabilitation and Employment (VR&E) Program to 3,000. This will ensure that Veterans who are service-connected with severe disabilities will be able to benefit from this program, which improves their ability to function more independently in their families and communities. Benefit costs are estimated to be \$602 thousand over five years and total \$20.5 million over ten years.

Exclude Temporary Residence Adaptations (TRA) Grants from Three Specially Adapted Housing (SAH) Grant Limit: Amend 38 USC sections 2102 and 2102A so that TRA grants would not count toward the maximum allowable grant amounts under either the Paraplegic Housing (PH) or Adaptive Housing (AH) grants and TRA grants would be excluded from the maximum allowable number of grant usages. Benefit Costs are estimated to be \$130 thousand during the first year, \$717 thousand for five years, and \$1.6 million over ten years.

Restoration for Specially Adapted Housing Assistance: Provide for restoration of previously-used SAH grant amounts in 38 USC section 2102. Currently eligible veterans are limited to three grants of assistance under section 2102. These grant maximums are indexed and may increase over time, but they still represent maximum limits on the amount of assistance a severely disabled veteran may receive from VA to assist him or her in obtaining suitable housing adaptations to enable the individual to accomplish the tasks of independent daily life. This proposal would authorize VA to restore previously-used grant funds in certain specific circumstances in which the property has been disposed of by the Veteran and the loan has been repaid in full. In addition, the Veteran may have his or her home loan entitlement restored one time only in the event the Veteran still owns the home, but the loan has been repaid in full. Benefit costs are expected to be \$4.8 million in the first year, \$25.4 million over five years and \$54.1 million over ten years.

Replace the SAH Program’s Three-Usage Grant Limit with Limits Specific to Grant Type: Replace the three-grant limit on all Specially Adapted Housing (SAH) grants under Chapter 21 with separate three-grant limits for grants under Section 2101 (a) and grants under section 2101(b). This change would address the

situation where a Veteran qualifies for Section 2101 (b) grants (currently limited to \$12,756 total) and, due to a worsening disability, is later deemed eligible for Section 2101 (a) grants (currently limited to \$63,780 total). Under current law, the Veterans' earlier use of the Section 2101 (b) grants is counted toward the three-grant limit. If he or she used three Section 2101 (b) grants, he or she receives no assistance under section 2101(a). Benefit costs are estimated to be \$402 thousand during the first year, \$2.2 million for five years, and \$5.0 million over ten years.

Specially Adapted Housing Grants with Family Members: Permit otherwise eligible individuals to use SAH grants under S.2101 (a) (current limit of \$63,780) to make adaptations to a family member's home, so long as the individual intends to reside with the family member permanently. Similar authority already exists for grants under S. 2101(b) (current limit of \$12,756). Benefit costs are estimated to be \$6.2 million during the first year, \$34.1 million for five years, and \$77.3 million over ten years.

Refunds to Individuals Who Participated in the Buy-Up Program: Amend section 5003 of Public Law 110-252 to allow individuals who qualify for the reimbursement of their \$1,200 pay reduction to also receive a refund of their additional contribution under the Buy-Up provisions of the Montgomery GI Bill - Active Duty (MGIB-AD) and Reserve Educational Assistance Program (REAP) education benefits. Cost Benefit costs are expected to be \$13 thousand in the first year, \$63 thousand over five years and \$126 thousand over ten years.

Issue Advance Payments Electronically: Amend 38 USC section 3680(d) to allow issuance of advanced payments through Electronic Funds Transfer (EFT). Allowing advance payments to be issued electronically falls in line with Department of Treasury's mandate that all federal benefit payments be made electronically. This mandate reduces the Government footprint by reducing cost of printing and mailing paper checks. Issuing advance payments electronically would simplify the payment process and eliminate the need for students to pick up their payments from the school; however, students would still be required to certify their attendance with the school prior to receiving the advance payment. Additionally, EFT is safer and more convenient for beneficiaries. There are no costs or savings associated with this proposal as payment amounts will not change.

Allow for extension of employment assistance services beyond 18 months: Amend 38 U.S.C. §3105 to permit the Secretary to extend employment services for up to six months if the Secretary determines that the extension is necessary to enable the Veteran to obtain and maintain suitable employment. Extending employment services by six months does not result in additional mandatory

costs, as any monetary benefits are incurred in the initial period of employment services. Two months of subsistence allowance would be paid at the beginning of the provision of employment services, not during the period of extension. Potential costs associated with job accommodation or adjustment counseling do not reach significant levels for the small caseload size affected by this proposal.

The unemployment rate for persons with disabilities is considerably higher than the rate for the general population. Some Veterans with disabilities require extensive services to obtain and maintain employment. In the current economy, it may take more than 18 months to find employment that is compatible with a Veteran's specific disabilities. Additionally, VA may need to continue to provide services even after a Veteran is hired and provide necessary equipment and accommodations to ensure the Veteran is well-adjusted to the circumstances of the new job.

Allow any public institution in a consortium/district to certify any student enrolled in an institution in the consortium/district: Amend 38 U.S.C. § 3684(a)(1) to expand the reporting authority to allow any institution in a consortium (or district) to report enrollment information to VA for any student enrolled in the consortium if all institutions in the consortium are located in the same state and have the ability to view all student records and academic plans to ensure course(s) being certified meet the requirements of the primary institution. There would be no additional costs associated with this proposal since the reporting fees will be paid to the school that is certifying the enrollment, regardless of the location of the institution.

Increase in Reporting Requirements from Education Institutions: Amend chapter 36 of title 38, United States Code, to require educational institutions that furnish education or training to report information regarding a student's progress and other information to show compliance with Executive Order 13607. There would be no benefit costs or savings associated with this proposal.

Allow VA to send Post-9/11 GI Bill tuition-and-fee payments to students rather than schools: Amend 38 U.S.C. § 3313(g) to allow VA to pay students directly for tuition-and fees under the Post-9/11 GI Bill rather than making such payments directly to the educational institutions concerned. There would be no additional benefit costs for this proposal since the amounts paid by VA would be unchanged.

Vocational Rehabilitation for Servicemembers: Section 1631(b)(2) of Public Law 110-181 provided authority under which a Servicemember with a serious illness or injury who has not yet received a VA service-connected disability rating may

receive the same vocational rehabilitation benefits (except subsistence allowance) as a Veteran would receive. This proposal would extend the current expiration date of December 31, 2014 (as provided in section 231 of Public Law 112-56) to December 31, 2015. There would be no additional benefit costs associated with this proposal.

Apply the 48-month rule to individuals who are eligible under the same benefit from two or more sources: Amend 38 U.S.C. § 3695 to limit the period for which an individual may receive assistance under two or more VA-administered educational assistance programs by changing two or more programs to one or more programs. Any cost savings associated with this proposal would be insignificant.

Bar Post-9/11 GI Bill recipients from receiving benefits from two sources (self and Transfer of Entitlement) simultaneously: Amend 38 U.S.C. § 3322 by adding a subsection to bar concurrent receipt of transferred education benefits and Post-9/11 GI Bill benefits earned by the individual. This would bar individuals from utilizing benefits earned under §§ 3311 and 3319 of title 38 simultaneously. Any cost savings associated with this proposal would be insignificant.

Extend Delimiting Dates for Spouses who are Caretakers of Seriously Injured Veterans: Amend title 38 U.S.C. § 3512 to permit the extension of delimiting dates for eligible spouses who could not pursue, or had to interrupt, a program of education while acting as the primary caretaker for a Veteran or Servicemember seriously injured while on active duty in a contingency operation after September 10, 2001. Any cost savings associated with this proposal would be insignificant.

Extend the authority for Veterans' Advisory Committee on Education: The Veterans' Advisory Committee on Education shares advice and recommendations with the VA Secretary regarding the administration and proposals to enhance VA education benefit programs. Section 3692 of title 38, United States Code currently specifies that the Committee shall cease to exist December 31, 2014. VA proposes extending the current authority for two years, to December 31, 2016.

Housing - Proposed Legislation

Permit the Secretary to Issue Civil Penalties for Any Violation of Chapter 37 and its Implementing Regulations and Remove Limit on Amount of Penalty. This proposal would amend 38 U.S.C. 3710(g)(4) to permit the Secretary to issue civil penalties for any violation of Chapter 37 and its implementing regulations and to update the amount of the penalty that can be assessed for a violation under 3710(g)(4). Currently, 3710(g)(4)(B) allows up to \$10,000 in penalties that may be collected pursuant to a 3710(g)(4)(A) underwriting violation only. Amending

3710(g)(4)(A) so that it covers any violation of Chapter 37 and its implementing regulations, and amending 3710(g)(4)(B) to allow VA to impose penalties which shall not exceed two times the amount of the loan loss, not subject to the outdated \$10,000 limit would enable the recovery of losses incurred by VA as a result of lender underwriting violations. The enactment of this proposal would not result in additional loan subsidy costs.

Amend 38 U.S.C. §3763 to Specify Assets that May Be Deposited into the Native American Veteran Housing Loan Program Account (“the Account”). This proposal would amend 38 U.S.C. §3763 to specify assets that may be deposited into the Account. Currently, §3763 of the United States Code establishes the Account, which is available to the Secretary to carry out all operations related to the Native American Direct Loan (NADL) program, but does not enumerate the specific assets that may be deposited. This proposal is a technical amendment to §3763 by copying the language found in §3722(c). Enactment of this proposal would not result in any loan subsidy costs.

Extension of Authority to Provide Shelter to Homeless Veterans or the Homeless Shelter Program (HSP) Authority: This proposal would extend the authority of the Secretary to use homes acquired through the guaranteed loan program to help provide shelter to homeless Veterans. Section 10 of Public Law 113-59 amended 38 U.S.C. § 2041(c) to extend the authority through December 31, 2014. Since 1991, VA has administered the Homeless Shelter Program to sell properties at a discount to non-profit organizations that will provide shelter for homeless Veterans. It is estimated that 38 HSP properties would be sold in the first year, and 218 properties over 5 years. This would result in an approximate 50 percent average reduction in sales proceeds (\$21.4 million) over 5 years.

Insurance - Proposed Legislation

Supplemental Service-Disabled Veterans’ Insurance (SDVI) Coverage for Veterans over the Age of 65: This proposal would eliminate the requirement that a Veteran apply for supplemental SDVI coverage (statutory maximum amount is \$30,000) before he or she attains the age of 65 by amending 38 U.S.C. 1922A. This change would assist the relatively small number of Veterans who have expressed a desire for the opportunity; the costs are estimated to be \$100 thousand in 2015, \$1.1 million over five years and \$3.0 million over ten years.

Board of Veterans’ Appeals – Proposed Legislation

Reasons and Bases: The Board of Veterans’ Appeals (BVA) proposes to define the term “reasons and bases” in 38 U.S.C. § 7104(d)(1) to mean a plausible statement of the reasons for the Board’s ultimate findings of fact and conclusions of law.

This proposal seeks to simplify the content requirements of Board decisions, making them more understandable to Veterans.

Notice of Disagreement Filing Period: This proposal would amend 38 U.S.C. § 7105(b)(1) to reduce the time period for filing of a notice of disagreement (NOD) following the issuance of a rating decision from one year to 180 calendar days.

Board of Veterans' Appeals Video Hearings: This proposal would amend 38 U.S.C. § 7107(d)(1) and (e)(2) to allow the Board to determine the most expeditious type of hearing to afford an appellant (i.e., an in-person hearing or a video conference hearing), restricting the appellant to the hearing selected by the Board unless good cause or special circumstances are shown to warrant another type of hearing.

Definition of Prevailing Party for the Equal Access of Justice Act (EAJA) and Veterans Benefits Appeals: This proposal would amend the definition of "prevailing party" for purposes of establishing eligibility to receive attorney fees and expenses fees under 28 U.S.C. § 2412 of the Equal Access of Justice Act (EAJA) for cases handled by the United States Court of Appeals for Veterans Claims (Court).

Filing of Substantive Appeals: This proposal would amend 38 U.S.C. § 7105(d)(3), to establish a clear time period for filing a substantive appeal in order to perfect an appeal to the Board of Veterans' Appeals (Board), to make the filing of a timely substantive appeal a jurisdictional requirement for Board review, and to establish that finality attaches to any matter in which a timely substantive appeal is not filed, all for the purpose of promoting efficiency in the adjudication process.

Other Legislative Proposals

Veterans Job Corps: This legislative proposal would authorize and provide funding to the Department of Veterans Affairs to coordinate an interagency process and transfer up to \$1 billion in mandatory funding over five years to establish the Veterans Job Corps. Funding will enable Veterans to leverage skills developed in the military in jobs on the country's public lands and in its communities, ranging from conservation and infrastructure projects to law enforcement and first responder jobs, such as park rangers, police officers, and firefighters.

Reestablish a Modified Enhanced-Use Lease Authority: VA will propose certain amendments to VA's enhanced-use lease (EUL) authority (codified at 38 U.S.C. § 8161-8169) to pursue EULs for purposes beyond creating supportive housing, similar to the broader authority that existed prior to expiration in December of

2011. VA's original enhanced use lease (EUL) authority was enacted in 1991. It allowed VA to lease land or buildings under control of the Secretary to public, private, and/or non-profit entities (ultimately for terms of up to 75 years), in return for cash and/or in-kind consideration -- provided the use of the property was not inconsistent with VA's mission. The statute subsequently expired on December 31, 2011. In August 2012, a modified version of VA's EUL authority was enacted via Section 211 of P.L. 112-154. It limits VA EULs entered into after January 1, 2012 to the providing of "supportive housing" on the leased property (as that term is defined in 38 U.S.C. § 8161(3)). It does not allow VA to enter into a broader range of public/private partnerships, as was permitted in the expired 2011 version of the statute. The current statute hinders VA's ability to enter into a wider range of EULs that would benefit Veterans, and VA's mission and operations.

Legislative proposal to Allow the Office of Information and Technology (OI&T) Title 38 Pay Authority, in order to maintain on-call pay for Title 5 IT Specialists: The proposed change in Title 38 legislation is to continue to allow Title 5 IT Specialists authority to serve in an "on-call" status and receive "on-call" pay because of the requirement to support VA's healthcare mission 24 hours a day, 7 days a week (24 x 7). When the realignment of OI&T occurred, Title 5 IT staff were transferred out of VHA and the authority to receive "on-call" pay was subsequently lost. This change has resulted in the inability to provide off-tour IT support for mission-critical IT systems that are in use by VA employees across the country 24 hours a day, 365 days a year. On-call coverage is needed because VA does not staff IT on a 24x7 basis.

Legislative proposal to Allow the Office of Information and Technology (OI&T) Title 38 Pay Authority to Recruit and Retain Healthcare Professionals: The purpose of the proposed change in Title 38 legislation is to allow OI&T, now operating under a single IT authority, to recruit and retain healthcare professionals in several of our leadership positions. Having senior executives, specifically, in our IT software development and at the IT Veterans Integrated Service Network (VISN) Chief Information Officer (CIO) level that possess both the medical field background and management background is very important. The complexities of the medical field itself require individuals that have both extensive specialized experience and knowledge in this field, and in the IT management field.

Extend the authority for Advisory Committee on Minority Veterans (extend for five years): VA proposes extending the current authority to Dec 31, 2019. The law (38 U.S.C. 544(e)) currently specifies that "[t]he Committee shall cease to exist December 31, 2014."

Extend the authority in 38 U.S.C. section 322(d) and 521A by five years: VA support of the U.S. Paralympics Integrated Adaptive Sports Program. Both of these programs expire after September 30, 2015.

Improve Franchise Fund refund policies: This proposal would modify Public Law 109-114, Military Quality of Life and Veterans Affairs Appropriations Act of 2006, to provide a better financial procedure for the VA Franchise Fund to more quickly return refunds to customers when improper payments are inadvertently made by the fund on the customer's behalf.



Proposed Legislation Chart

Proposed Legislation (dollars in thousands)												
The following items with budgetary impact are included in the President's legislative program for the Second Session of the 113th Congress												
	2015		2016		2017		2018		2019		2015 to 2019	
	BA	Outlays	BA	Outlays								
\$ in thousands												
Disability Compensation Benefits:												
Compensation COLA increase of 1.4% percent effective December 1, 2013*	750,345	940,903	940,903	972,652	972,652	1,003,098	1,003,098	1,031,541	1,031,541	1,061,541	4,698,539	4,698,539
Extend Rounding-Down of Compensation and DIC COLA Through 2019	(30,044)	(68,510)	(68,510)	(107,074)	(107,074)	(148,497)	(148,497)	(191,260)	(191,260)	(245,385)	(545,385)	(545,385)
Total Disability Compensation Benefits	720,301	872,393	872,393	865,578	865,578	854,601	854,601	840,281	840,281	816,276	4,153,154	4,153,154
Burial Benefits:												
Establish Consistent Applicability for Memorial Headstones and Markers for Eligible Non-	1	1	1	1	1	2	2	2	2	2	7	7
Align Eligibility for Burial and Presidential Memorial Certificates for Reserve Component	7	7	7	7	7	7	7	8	8	8	36	36
Expand Authority to Provide Headstones and Markers to Eligible Spouses and Dependents at												
Tribal Cemeteries	14	14	14	16	16	17	17	18	18	18	79	79
Expand Authority to Provide Outer Burial Receptacles to State and Tribal Cemeteries	4,400	3,290	3,290	1,086	1,086	6,019	6,019	297	297	297	15,092	15,092
Expand Eligibility for Medalion or Other Device to Signify Status as Deceased Veteran	129	129	129	129	129	103	103	80	80	80	570	570
Allow Government-Furnished Headstones and Markers for Privately Marked Graves of Medal of Honor Recipients who died prior to November 1, 1990	54	57	57	61	61	65	65	70	70	70	307	307
Total Burial Benefits	4,605	3,498	3,498	1,300	1,300	6,213	6,213	475	475	475	16,091	16,091
Veterans Job Corps	50,000	237,000	237,000	237,000	237,000	238,000	238,000	238,000	238,000	238,000	1,000,000	1,000,000
Readjustment Benefits:												
Extend Rounding-Down of Education COLA Through 2019	(166)	(780)	(780)	(1,370)	(1,370)	(2,315)	(2,315)	(2,931)	(2,931)	(2,931)	(7,562)	(7,562)
Increase Funding Limitation for Contracted Counseling	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	5,000	5,000
Extend Authorization of Work-Study Activities	954	991	991	1,019	1,019	1,063	1,063	1,115	1,115	1,115	5,142	5,142
Provide SAH Grants to Veterans Living with Family	6,201	6,499	6,499	6,810	6,810	7,317	7,317	7,480	7,480	7,480	34,307	34,307
Restore Eligibility for Housing Adaptation	4,848	4,848	4,848	5,087	5,087	5,210	5,210	5,337	5,337	5,337	25,448	25,448
Increase Annual Limit on New Independent Living Cases	0	150	150	150	150	150	150	150	150	150	602	602
Refund to Participants of Buy-Up Program	13	13	13	13	13	13	13	13	13	13	63	63
Exclude Temporary Residence Adaptations (TRA) Grants from Three Specially Adapted Housing (SAH) Grant Limit	130	136	136	143	143	150	150	157	157	157	716	716
Replace SAH Program's Three-Usage Grant Limit with Limits Specific to Grant Type	402	402	421	441	441	463	463	485	485	485	2,212	2,212
Total Readjustment Benefits	13,382	13,396	13,396	13,293	13,293	13,051	13,051	12,806	12,806	12,806	65,930	65,930
Insurance:												
Extend Supplemental SDVI Coverage	76	76	174	241	241	280	280	296	296	296	1,067	1,067
Medical Care:												
Extend CHAMPVA Eligibility for Covered Children Up to Age 26	51,479	55,043	55,043	59,614	59,614	64,660	64,660	70,018	70,018	70,018	300,814	300,814
Extend Authorization for Health Professionals Education Assistance Program	4,110	6,233	6,233	6,257	6,257	6,282	6,282	6,307	6,307	6,307	29,189	29,189
Waiver to 24-Month Eligibility Requirement for Emergency Treatment	1,513	1,657	1,657	1,818	1,818	1,993	1,993	2,186	2,186	2,186	9,167	9,167
Transportation of Individual to and from Facilities of the Department of Veterans Affairs (VA)	3,628	2,995	2,995	4,788	4,788	5,238	5,238	5,713	5,713	5,713	(9,116)	(9,116)
VA Payment for Medical Foster Home (MFH)	(6,825)	(8,084)	(8,084)	(9,576)	(9,576)	(11,342)	(11,342)	(13,435)	(13,435)	(13,435)	(49,262)	(49,262)
Smoke-Free Environment	(7,440)	(7,566)	(7,566)	(7,697)	(7,697)	(7,833)	(7,833)	(7,974)	(7,974)	(7,974)	(38,510)	(38,510)
Remove Requirement that VA Reimburse Certain Employees for Professional Education	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(325)	(1,625)	(1,625)
Amend 38 U.S.C. § 7675 Defining Liability for Breach of Agreement under EISP	(38)	(39)	(39)	(40)	(40)	0	0	0	0	0	(117)	(117)
Total Medical Care Costs	46,102	49,914	49,914	45,263	45,263	48,197	48,197	51,064	51,064	51,064	240,540	240,540

*2013 Compensation COLA increase is calculated within the baseline of the budget. It requires annual legislation for adjustment.

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Legislative Authorization of Programs

Legislative Authorization of Programs

The authorizations for VA's programs are contained in title 38 of the U.S. Code. With the exception of major medical construction projects and certain leases, annual authorization by the legislative committees and the Congress is not required. However, title 38 does provide for certain multiple-year authorizations for specific purposes. The authorization of the following items is limited by title 38 in regard to the time and/or amount as indicated:

Section of U.S.C.- Citation	Public Law- Citation	Public Law- Citation Most Recent Extension	Title	Description	Expiration Date
Compensation and Pension					
38 USC 1303(a)	P.L. 105-33, § 8031(b)(1)	P.L. 108-183 § 706	COLA Adjustment for DIC for Service Connected Deaths	Rounding Down of Cost-of-Living Adjustments for Dependency and Indemnity Compensation for Service-Connected Deaths	9/30/2013
38 USC 1104 (a)	P.L. 112-56, § 262	P.L. 108-183 § 706	COLA Adjustment for Comp for Service Connected Deaths	Rounding Down of Cost-of-Living Adjustments for Compensation for Service-Connected Disability or Death	9/30/2013
38 USC 5503(d)(7)	P.L. 85-857	P.L. 112-260 § 203	Pension Limitations Regarding Medicaid	Pension Limitations Regarding Medicaid (Reduction of pension to certain Medicaid-eligible veterans and surviving spouses receiving care in nursing homes)	11/30/2016
38 USC 1116(e)	P.L. 102-4, § 2(a)(1)	P.L. 107-103 § 201(d)(1)	Presumptions of Service Connection for Agent Orange Exposure	Presumptions of Service Connection for Diseases Associated with Exposure to Certain Herbicide Agents: Presumption of Exposure for Veterans who Served in the Republic of Vietnam	9/30/2015
38 USC 5317(g); 26 USC 6103(l)(7)(D)(viii)	P.L. 101-508 § 8051	P.L. 112-56 § 264	IRS Data Match for Pension Eligibility	Access to IRS data for purposes of verifying eligibility for pension (Use of Income Information from IRS and SSA)	9/30/2016
38 USC 503(c)	PL 102-83 § 2(a)	PL 111-275 § 808	Administrative Error; Equitable Relief	Required reports on dispositions of recommendations for equitable relief	12/31/2014
38 U.S.C. 5110(b)	P.L. 112-154, sec. 506	N/A	Retroactive Effective Date for Awards of Disability Comp	Authority for retroactive effective date for awards of disability compensation in connection with applications that are fully-developed at submittal	8/6/2015

Section of U.S.C.- Citation	Public Law- Citation	Public Law- Citation Most Recent Extension	Title	Description	Expiration Date
Readjustment Benefits					
10 U.S.C. 1071 note	P.L. 110-181 § 1631 (b)(2)	P.L. 112-56 § 231	Voc Rehab for Seriously Disabled Servicemembers	Vocational rehabilitation for certain seriously disabled servicemembers	12/31/2014
38 USC 3485(a)(4)(A)(C)and (F)	P.L. 107-103	P.L. 111-275 § 101	Enhanced Work-Study Allowance	Enhanced Work Study Allowance	6/30/2013
38 USC 3015(h) & 38 USC 3564	P.L. 105-178 § 8201	P.L. 108-183 § 304	COLA Adjustment in Chapters 30 & 35	Rounding down of Cost-of-Living Adjustments in chapters 30 and 35 rates through FY 2013	9/30/2013
	P.L. 112-56 § 211		Veterans Retraining Assistance Program	Authority for up to 12 months of retraining assistance for unemployed Veterans ages 35-60	3/31/2014
38 USC 3692(c)	P.L. 89-358	P.L. 113-59 § 12	Veterans' Advisory Committee on Education	Veterans' Advisory Committee on Education	12/31/2014
Housing					
38 USC 3729(b)(2)(A)(iii),(B)(i)(C)(i),(D)(i)	P.L. 108-183 § 405	P.L. 112-154, § 702(b)	Loan Fee Collections	Loan Fees Collections [adjusts the loan fee for certain loans closed either before October 1, 2011, or on or after October 1, 2011, and before September 30, 2013]	9/30/2017
38 U.S.C. 2101(a)(2)(C)	P.L. 112-154 §202		Temp Expansion of Specially Adapted Housing Assist.	Temporary Expansion of Specially Adapted Housing Assistance for Certain Veterans with Disabilities Causing Difficulty with Ambulating	9/30/2013
38 U.S.C. 3703 (annotation)	P.L. 110-389, sec. 501	P.L. 112-154 §702(c)	Temporary Increase to Maximum Guaranty Amount	Temporary Increase to Maximum Guaranty Amount	12/31/2014
38 U.S.C. 3720(h)(2)	P.L. 102-291 §5 P.L. 107-103 § 405	P.L. 112-154 § 702(a)	Mortgage Certificates for Pooled Loans	Mortgage Certificates for Pooled (Vendee) Loans (pooled loans asset sales - Authority to guarantee sold loans)	12/31/2016
38 USC 2102A	P.L. 109-233 § 101(a)	P.L. 112-154 §205	SAH for Veterans Temporarily Residing w/Family	Specially-Adapted Housing Assistance (SAH) for Veterans temporarily residing with family members.	12/31/2022
38 USC 8118(a)(5)	P.L. 102-54 §9(a)	P.L. 112-37 § 10(g)	Real Property Transfers for Homeless Veterans	Real Property Transfers for Homeless Veterans Assistance (Housing Assistance for Homeless Veterans)	12/31/2018
38 USC 3732(c)	P.L. 98-369§ 2514	P.L. 112 – 191 § 201	Calculation of Liquidation Sales Amounts	Calculation of Net Value at time of foreclosure	9/30/2013
38 USC 3733(a)(7)	P.L. 108-183 § 404(a)		Change Vendee Loan Program	Change Vendee Loan Program	9/30/2013
38 U.S.C. 2108	P.L. 111-275 § 203		Specially Adapted Housing Assistive Tech Grant	Specially Adapted Housing Assistive Technology Grant	9/30/2016

Section of U.S.C.- Citation	Public Law- Citation	Public Law- Citation Most Recent Extension	Title	Description	Expiration Date
Programs for Homeless Veterans					
38 USC 2041(c)	P.L. 102-54 §9(a).	P.L. 113-59 § 10	Homeless Veterans Housing Assistance	Housing assistance for homeless veterans	12/31/2014
38 USC 2044(e)	P.L. 110-387 §606	P.L. 113-37 § 2(f)(2)	Financial Assistance for Supportive Services	Financial assistance for supportive services for very low- income veteran families in permanent housing	After FY 2014(for designated funding for subsections (a) through (c) of section 2044; auth of approps for subsection (d) of section 2044 expired after FY 2012)
38 USC 2061(d)	P.L. 107-95 § 5(a)(1)	P.L. 113-37 § 2(f)(3)	Homeless Veterans-Grant Program for Homeless Veterans with Special Needs	Grant Program for Homeless Veterans with Special Needs	After FY 2014 (only for designated funding)
38 USC 2021(e)	PL 107-95 § 5(a)(1)	P.L. 113-37 § 2(e)(1)	Homeless Veterans Reintegration Programs	Homeless Veterans reintegration programs	after FY 2014
Medical Care					
38 USC 2066(d)	P.L. 107-95 § 5(a)(1)	P.L. 113-59 § 11	Advisory Committee on Homeless Veterans	Advisory Committee on Homeless Veterans	12/31/2014
38 USC 2031(b)	P.L. 105-114 § 202(a)	P.L. 113-59 § 9(a)	Homeless and Seriously Ill Veterans- Treatment/Rehab	Treatment and Rehabilitation for Seriously Mentally Ill and Homeless Veterans- General treatment	12/31/2014
38 USC 2033(d)	P.L. 105-114 § 202(a)	P.L. 113-59 § 9(b)	Homeless & Mentally Ill Veterans Addl Services	Treatment and Rehabilitation for Seriously Mentally Ill and Homeless Veterans-Additional services at certain locations	12/31/2014
38 USC 1703 Note	P.L. 110-387 § 403		Pilot Program of Enhanced Contract Care Authority for Health Care Needs of Veterans in Highly Rural Areas	Pilot program under which the Secretary provides covered health services to covered veterans through qualifying non-Department of Veterans Affairs health care providers	8/29/2014
38 USC 1710A(d)	P.L. 106-117 § 101(a)	P.L. 113-59 § 8	Required nursing home care for certain veterans	Required nursing home care for certain service-connected veterans	12/31/2014
38 USC 1712A Note	P.L. 111-163 §203		Pilot Program on Counseling in Retreat Settings	Pilot Program on Counseling in retreat settings for women Veterans newly seperated from service in the Armed Forces	6/6/2013
38 USC 1712A Note	P.L. 98-528	P.L. 112-260 § 204	PTSD- Diagnosis & Treatment, Education & Training	Post-Traumatic Stress Disorder; Diagnosis and Treatment; Education and Training of Health-Care Personnel; Coordination with Readjustment Counseling; Special Committee; National Center; Compilation and Publication of Research Results; Reports to Congressional Committees	5/1/2016
38 USC 1710 Note	P.L. 111-163 § 307		Grants for Veterans Service Organizations for Transportation of Highly Rural Veterans	Grant program to provide innovative transportation options to veterans in highly rural areas.	9/30/2014

Section of U.S.C- Citation	Public Law- Citation	Public Law- Citation Most Recent Extension	Title	Description	Expiration Date
38 USC 1710 Note	P.L. 111-163 §205		Pilot Program on assistance for Child Care	Pilot Program on assistance for Child Care for certain Veterans receiving health care	10/2/2014
38 USC 1710 C Note	P.L. 110-181 § 1705		Pilot Program on Assisted Living Services for Veterans with TBI	Pilot program to assess the effectiveness of providing assisted living services to eligible Veterans to enhance the rehabilitation, quality of life, and community integration of such Veterans.	10/1/2014
38 USC 1712 Note	P.L. 111-163 §510		Pilot Program for Provision of Dental Ins. Plans	Pilot program on provision of dental insurance plans to Veterans and survivors and dependents of Veterans.	3 years after commencement of the pilot program
38 USC 1720G	P.L. 110-387 §101		Assistance and support services for caregivers		9/30/2015
38 USC 111A	P.L. 112-260 section 202	P.L. 113-59 § 6	Transportation of Beneficiaries	Transportation of beneficiaries to and from facilities of Department of Veterans Affairs.	12/31/2014
Co-Payments and Medical Care Cost Recovery					
38 USC 1710(f)(2)(B)	P.L. 111-163, section 517	P.L. 113-37 § 2(c)	Hospital Co-pay	Copayments for Hospital Care and Nursing Home Care	9/30/2014
38 USC 1729(a)(2)(E)	P.L. 111-163 §518	P.L. 113-37 § 2(d)	Medical Care Cost Recovery Authority	Medical care cost recovery authority (Third-party Billing)	9/30/2014
38 USC§ 1703(d)(4)	P.L. 108-422 § 601	P.L. 112-37 § 10(a)	Recovery Audits for Certain Contracts under 38 USC 1703	Recovery Audits for certain contracts under 38 USC 1703	9/30/2020
VA/DoD Joint Sharing Funds					
38 USC 8111 (d)		P.L. 111-84, section 1706	VA-DOD Joint Incentives for Sharing Initiatives	VA-DOD Joint Incentives for Sharing Initiatives	9/30/2015
	P.L. 111-84 § 1704 (e)		VA -DoD Joint Funding for Medical Facility Demonstration Fund	VA-DoD Joint funding authority for Medical facility demonstration fund	9/30/2015

Section of U.S.C- Citation	Public Law- Citation	Public Law- Citation Most Recent Extension	Title	Description	Expiration Date
General Operating Expenses					
38 USC 315(b)	P.L. 102-83, § 2 (a)	P.L. 113-59 § 7	Philippines Regional Office	Philippines Regional Office	12/31/14
38 USC 5101 note	P.L. 108-183, § 704	P.L. 113-59 § 14	Contract Disability Claims	Contract medical Disability Exams - (Temporary authority for performance of medical disability examinations by contract physicians)	12/31/2014
38 USC 544(e)	P.L. 103-446 § 510(a)	P.L. 110-389 § 809	Advisory Committee on Minority Veterans	Advisory Committee on Minority Veterans	12/31/2014
38 USC 322	P.L. 110-389 § 703		National Veterans Sports Programs & Special Events	Office of National Veterans Sports Programs and Special Events	9/30/2013
38 USC 521A	P.L. 110-389 §§ 701-702		Assistance for United States Paralympics, Inc.	Assistance for United States Paralympics, Inc.	9/30/2013
Information Technology					
38 USC 7907	P.L. 109-461		VA Information Security Education Assistance	Provides educational assistance to IT professionals who then work for the Department.	7/31/2017
Construction					
38 USC 8161-8169	P.L. 102-86, Title IV, Section 401(a)	P.L. 112-154, Title II §211(j)	Enhanced Use Leasing	selected Lessees to provide Supportive Housing for Veterans on a priority basis, and provide VA with negotiated monetary consideration.	12/31/2023
EXPIRED- or Permanent- showing in MAX					
38 USC 5317 A(d); 42USC 653 (j) (11)	P.L. 110-157 § 301	P.L. 113-37 §3(b)	NDNH Income Verification	Authority to use National Directory of New Hires for income verification purposes for certain veterans benefits	180 days after 9/30/2013
38 USC 3036 (d)	P.L. 109-461 § 305 (b)	P.L. 112-54 § 402	MGIB Assistance-VA Joint Report	Bi-annual Report on the operation of the Montgomery GI Bill	Repealed
38 USC 1117(c)(2); 38 USC 1118(e)	P.L. 105-277 § 1602(a), (c)	P.L. 107-103 § 202(d)(1)	Gulf War- Presumption of Service Connection	Presumption of service-connection for Gulf War Illness	9/30/2011
38 USC 3710(a)(12)	P.L. 109-461 § 501		Loan Guarantees for Residential Co-op	Loan Guarantees for Residential Cooperative Housing Units (CO-OP loan guarantees)	12/21/2011
38 USC 3707	P.L. 110-389 §505(a)	P.L. 112-154 § 208	Adjustable Rate Mortgage	Authority to guarantee adjustable rate mortgages	made permanent
38 USC 3707A	P.L. 107-330 § 303	P.L. 112-154 § 209	Hybrid Adjustable-Rate Mortgage Program	Authority to guarantee hybrid adjustable rate mortgages	made permanent
<p>Note 2: "Mandatory" means budget authority and outlays controlled by permanent laws. "Discretionary" means budget authority controlled by annual</p> <p>Note 3: "YES" means that, although the appropriations authorization expires, the program could continue to operate without an extension of the appropriations</p> <p>Note 4: Entries signify the best available prediction of VA's initial positions, obtained from discussions between OGC attorneys and Administration and Staff</p> <p>Note 5: PSG POCs-- I: Doug Bradshaw, 202.461.4900, doug.bradshaw@va.gov II: Dick Hipolit, 202.461.7699, richard.hipolit@va.gov III: Walt Hall,</p>					

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GAO Audit Reports Introduction

The reports provided in the Summary Volume are those received by VA during the period of November 1, 2012 through October 31, 2013.

The reports are identified by title and are presented in calendar year order. Each report is summarized to include the responsible organization, the actual GAO recommendations, VA's "actions taken," and budget implications, if any, are noted. The "actions taken" portion of the report follows closely from VA's comments that are represented in the draft reports that VA provides for all GAO reports. The narrative summarizes the instances where VA has incorporated GAO recommendations into current operations (e.g., where VA has employed a different approach in the budgeting process, or where specific steps have been utilized to improve forecasting results). Budget implications are presented to emphasize the need to recognize the impact of the recommendations on VA resources.

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5. VETERANS' EMPLOYMENT AND TRAINING: Better Targeting, Coordinating, and Reporting Needed to Enhance Program Effectiveness; GAO-13-29. Report provided to VA and the public 1/10/13.	112
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19. VA BENEFITS: Improvements Needed to Ensure Claimants Receive Appropriate Representation; GAO-13-643. Report provided to VA and the public 8/30/13.	144
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GAO Audits

1. **STRATEGIC SOURCING: Improved and Expanded Use Could Save Billions in Annual Procurement Costs;** GAO-12-919. Report provided to VA and the public 10/4/12

RESPONSIBLE OFFICE: Office of Acquisitions, Logistics and Construction

RECOMMENDATIONS:

- To help ensure that VA's strategic sourcing efforts further reflect leading practices, and in light of significant potential savings and performance improvements, the Secretary of Veterans Affairs should direct strategic sourcing staff to, based on analysis of agencywide spending, evaluate the best way to strategically source VA's highest spending categories of products and services (e.g., governmentwide vehicles, interagency collaboration, agencywide vehicles).
- To help ensure that VA's strategic sourcing efforts further reflect leading practices, and in light of significant potential savings and performance improvements, the Secretary of Veterans Affairs should direct strategic sourcing staff to set goals for spending managed through strategic sourcing, and establish metrics, such as utilization rates, to monitor progress toward these goals.

ACTIONS TAKEN:

The Department has implemented a robust spend analysis and business case development capability to identify opportunities for better leveraging VA's spend. To date, VA's spend analysis team has completed 40 business cases related to approximately \$3.4B in Department spend. In addition, the team has provided Department input to seven different federal commodity teams sponsored by the Office of Management and Budget's Strategic Sourcing Leadership Council. VA has been very successful in directing "addressable" spend to GSA sponsored Federal Strategic Sourcing Initiatives (FSSIs). The Department's Acting CAO sponsors periodic Strategic Sourcing "Roundtable" (management team) sessions to focus on high priority initiatives. The Department has established distinct commodity management teams and processes to improve life cycle management of high spend commodities such as medical supplies, surgical supplies, high-tech medical equipment, etc. In addition, to ensure top leadership visibility of strategic

sourcing efforts with the Department, strategic sourcing is included on VA's "Top Risk Register". The Department has developed a Strategic Sourcing Risk Dashboard to calculate the risk and detail the impact related to specific VA strategic sourcing opportunities.

BUDGET IMPLICATIONS: Cost-avoidance achieved by better leveraging the Department's spend can be applied to other Department spending priorities to improve access to care and the quality of care provided to Veterans.

2. **DOD AND VA HEALTH CARE: Medication Needs During Transitions May Not Be Managed for All Servicemembers**; GAO-13-26; Report provided to VA and the public 11/14/12.

RESPONSIBLE OFFICE: **Veterans Health Administration**

RECOMMENDATIONS:

- The Secretary of Defense should direct the Under Secretary of Defense for Personnel and Readiness, and the Secretary of Veterans Affairs should direct the Under Secretary for Health, to work together to identify and apply best practices for managing servicemembers' medication needs during transitions of care, including assessing the extent to which practices currently available within existing transition policies and programs that are targeted to specific servicemember and veteran groups can be made more widely available.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - The National Alliance for Patient Medication Information Standardization (NAPMIS) was established with representatives from Veterans Health Administration (VHA), Department of Defense (DoD), and the Department of Veterans Affairs (VA) Office of Information and Technology (OIT). NAPMIS helped develop the “Essential Medication List” that outlines the basic medication information that must be available in any medication list for the purposes of coordinating and managing patient medication information.
 - The VHA Inter-Professional Medication Information Education Workgroup was established with representatives from VHA, DoD, and Indian Health Service (IHS) staff. The workgroup has developed training and tools necessary to manage information between health care teams, patients, and caregivers as they transition between care settings, including the transitions between DoD and VA. The charter of this group underscores the need to standardize Medication Reconciliation education throughout the professional groups, standardize process, and promote a team-based approach.
 - VHA’s Medication Use Crisis Conference, devoted to the transitioning servicemember and medication management, took place in January 2013. The conference was formed to address the medication use problems shared by Veterans, servicemembers, beneficiaries, and their caregivers. The conference explored optimizing resources, leveraging teams and

- transitions, managing medication information, and partnering with patients and their caregivers.
- VHA's My HealthVet (MHV) team continues to work with appropriate DoD officials to support transitioning servicemembers with accessing their medication information through "Medication Play It Safe" and "Ask A Pharmacist" programs.
 - The Interagency Care and Coordination Committee Community of Practice expanded membership participation to include members from VHA's Office of Patient Care Services and Pharmacy Benefits Management (PBM). This group of VHA and DoD staff collaborated on developing a process that will help improve medication outcomes for transitioning servicemembers from an enterprise standpoint.
 - Representatives from VA's Medication Reconciliation program presented at the VA Liaison for Healthcare program's annual training on VA's formulary and policies governing returning servicemembers.
 - VHA clinicians and staff have access to a VA Medication Reconciliation SharePoint site with templates and documentation where best practices regarding medication information management can be shared. VHA has sent examples of products, documentation and monitoring tools, and presentation materials to Federal partners upon request.
 - VHA established internal workgroups charged with improving documentation and monitoring, as well as education of patients and staff to improve patient care for transitioning servicemembers. Two examples of workgroups include the Medication Reconciliation Documentation and Monitoring Workgroup and the Medication Staff and Patient Education Workgroup. Both workgroups have shared their products with Federal partners.
 - VistAWeb or the Computerized Patient Record System provide information to VHA clinicians and staff about medications currently prescribed for active duty/transitioning Servicemembers that receive care at VA facilities. This software brings in the DoD Medication Information through the Remote Data View. VistAWeb also allows VHA Clinicians to view DoD medications and other healthcare data.
 - Servicemembers who elect to receive care with VHA are assigned to Primary Care Patient Aligned Care Teams (PACT). PACT provides patient-centric, longitudinal, team-based care that focuses on ensuring access, care management and coordination for chronic illness as well as prevention, healthy living, and wellness services. PACT providers partner with the Veteran and other VA services in prescribing medications consistent with VA prescribing guidelines. As patients receive care from their assigned PACT, staff review current medications to promote patient safety and appropriateness of care. More recently, focus has been on education and training in interdisciplinary pain management for PACT

staff, with an initial focus on returning combat Veterans. The synthesis of non-pharmacological and pharmacologic strategies is emphasized, stressing the importance of judicious use of opioids only when safe and appropriate. Virtual training modalities and venues are emphasized, including VeHU format and the Primary Care Rural Health Initiative (RHI).

- VHA participated in the Health Executive Committee (HEC) and the Joint Incentive Funds (JIF) DoD/VA Joint Pain Education Project working on the specific issue of pain care transition from DoD to VA.
- PACT Pain Management Taskforce sponsored education and training for providers responsible for opioid prescribing, through a series of bi-weekly teleconferences. PBM, in partnership with PACT and other program offices, developed a tool to identify facilities and providers who prescribe these medications and the patients who receive these medications outside established guidelines. The tool was piloted in multiple facilities. VHA is now able to participate in the State Prescription Drug Monitoring Programs (SPDMP) that allow VA providers access to prescription filling records from facilities outside the organization. This new tool is being used increasingly by opioid prescribers in VHA to assure safe prescribing of controlled substances.
- VHA revised existing transition policies and programs in 2013 as part of the VA Medication Information Management Initiative. The purpose was to focus on how to achieve more patient-centered medication information management. The VA Medication Reconciliation Task Force drafted an addendum to the VA Medication Reconciliation Directive. PBM provided guidance to Health Informatics Management System (HIMS) regarding discharge Medication Reconciliation as indicated in VHA Handbook 1907.01.

BUDGET IMPLICATIONS: None known at this time.

3. INFORMATION TECHNOLOGY: Agencies Need to Strengthen Oversight of Billions of Dollars in Operations and Maintenance Investments; GAO 13-87. Report provided to VA and the public 11/15/12.

RESPONSIBLE OFFICE: **Office of Information and Technology**

RECOMMENDATIONS:

- To ensure that major steady state IT investments are being adequately analyzed, the Secretaries of Defense, Veterans Affairs, and the Treasury should direct appropriate officials to develop an OA policy, annually perform OAs on all investments, and ensure the assessments include all key factors.

ACTIONS TAKEN:

- In Process - To ensure that major steady state IT investments are being adequately analyzed, VA's Office of Information and Technology (OIT) is working to meet requirements to develop an operational analyses (OA) policy by March 31, 2014. The implementation of "operational assessments" on all IT investments is scheduled to begin in the second half of Fiscal Year 2014. Operational assessments will be conducted in accordance with Office of Management and Budget (OMB) guidance and the 17 key factors that OMB requires to be addressed as part of such assessments.

BUDGET IMPLICATIONS: At this point in time, developing the OA policy and conducting the initial operational assessments should not have budgetary impact. Once the assessments are completed, there might be requirements not met that would have budget impacts - that is not known at this time.

4. RECOVERING SERVICEMEMBERS AND VETERANS: Sustained Leadership Attention and Systematic Oversight Needed to Resolve Persistent Problems Affecting Care and Benefits; GAO-13-5. Report provided to VA and the public 11/16/12.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To ensure that persistent challenges with care coordination, disability evaluation, and the electronic sharing of health records are fully resolved, the Secretaries of Defense and Veterans Affairs should ensure that these issues receive sustained leadership attention and collaboration at the highest levels with a singular focus on what is best for the individual servicemember or veteran to ensure continuity of care and a seamless transition from DOD to VA. This should include holding the Joint Executive Council accountable for (1) ensuring that key issues affecting recovering servicemembers and veterans get sufficient consideration, including recommendations made by the Warrior Care and Coordination Task Force and the Recovering Warrior Task Force; (2) developing mechanisms for making joint policy decisions; (3) involving the appropriate decision-makers for timely implementation of policy; and; (4) establishing mechanisms to systematically oversee joint initiatives and ensure that outcomes and goals are identified and achieved.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - Three workgroups continue to assist in executing the activities outlined by the Interagency Care Coordination Committee (IC3): (1) Community of Practice; (2) Policy and Oversight; and (3) Comprehensive Plan.
 - The Community of Practice workgroup introduced a "Lead Coordinator" model of care coordination. The Lead Coordinator serves as the primary point of contact for the Warrior; their family; and members of the care, benefits and services coordination team. The Lead Coordinator initiative began in January 2013 at Walter Reed National Military Medical Center, the Washington, DC, VA Medical Center (VAMC) and the Richmond, VA, VAMC. The Lead Coordinator implementation expanded to San Antonio Military Medical Center (SAMMC) and to VISN 17 VAMCs in August 2013. In November 2013, Ft. Belvoir joined the national capital region's participation in the Lead Coordinator initiative. Extensive training was provided at each site prior to their participation.

- The Policy and Oversight workgroup continues to develop interagency guidance using common terms and language to guide the operation and maintenance of a single model for care management and coordination through the servicemember/Veteran's continuum of care.
- The Comprehensive Plan workgroup continues to develop a single, interagency comprehensive plan (ICP) that will include the Warrior's goals for recovery, rehabilitation, and reintegration. The goal is to produce a common operational picture of the Warrior's status and needs along the continuum of care and display all relevant information associated with the delivery of care, benefits, and services. An ICP Integrated Project Team (IPT) was convened in August 2013 to develop integrated business requirements, information models and process models for the ICP process. The integrated Business Requirement Document (iBRD), integrated Process Model Report (iPMR), and integrated Information Model Report (iIMR) were completed in December 2013 and briefed to the IC3.

BUDGET IMPLICATIONS: None known at this time.

5. **VETERANS' EMPLOYMENT AND TRAINING: Better Targeting, Coordinating, and Reporting Needed to Enhance Program Effectiveness;** GAO-13-29. Report provided to VA and the public 1/10/13.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

- To increase the effectiveness of coordination efforts, the Secretaries of Labor and VA should incorporate additional guidance to address the two problem areas we identified into any update to the interagency handbook that governs their coordination for veterans' employment and training programs.
- To ensure government resources are used efficiently, the Secretaries of Labor, VA, and DOD should incorporate DOD's employment assistance initiatives into the agreements that guide interagency coordination.
- To assess veterans' employment programs' effectiveness, Secretaries of Labor and VA should, to the extent possible, determine the extent to which veterans' employment outcomes result from program participation or are the result of other factors.

ACTIONS TAKEN:

- In process - Both VA and Department of Labor (DOL) support the referral process outlined in the interagency handbook (Technical Assistance Guide (TAG)). VA and DOL provided training on the TAG and made this handbook available to all VA/DOL staff. In addition, VA and DOL conducted focus groups and interviews of Vocational Rehabilitation and Employment (VR&E) and DOL staff at select offices. Both agencies strongly believe that labor market information should be provided to Veteran participants as part of the first step in career exploration, as well as throughout the rehabilitation process.

However, as GAO points out, while the TAG says agencies are to coordinate to achieve "suitable employment," it does not explicitly say how DOL's Disabled Veterans' Outreach Program and VA staff should deal with situations where a Veteran's financial need or preferences do not align with the goal of suitable employment. This situation presents a real challenge to both agencies. Neither VA nor DOL have the ability to stop Veterans from accepting unsuitable jobs. VR&E staff will continue to inform Veterans of the potential consequences of accepting employment deemed unsuitable. If the Veteran still chooses to pursue unsuitable employment, VA will continue to maintain contact, monitor his/her progress, and offer necessary services.

The TAG is scheduled to be updated by the VA/DOL Joint Work Group (JWG). Since January 2013, the JWG has been diligently reviewing and updating the TAG. As recommended by GAO, the TAG has been edited to include systematic methods to resolve challenges at the local level, such as situations where a Veteran's financial need or preferences do not align with the goal of suitable employment and may require higher-level engagement to remedy. The revised TAG also clearly articulates the requirement to provide labor market information early in the planning stages, as well as throughout the process. The JWG finalized the revised TAG and submitted the draft document to each agency for review and approval on September 6, 2013. VBA and DOL are currently in the process of making final edits. Both agencies will then need to review the final draft for concurrence and discuss any further edits. The completion date for this recommendation is extended to March 1, 2014.

- In process - VA and the Department of Defense (DoD) have agreements that serve the interests of Veterans as they transition from military service: the Transition Assistance Program (TAP) Memorandum of Understanding (MOU) for all Veterans and the Integrated Disability Evaluation System MOU for severely ill and injured Servicemembers. VA agrees that with the expansion of the Yellow Ribbon Program, an interagency agreement to better coordinate the delivery of employment services beyond the Uniformed Services Employment and Reemployment Rights Act of 1994 and TAP would enhance overall value and create a win-win for Veterans seeking employment after service, particularly among transitioning National Guard and Reserve members.

After discussions with DoD to learn about their programs, the JWG deliberated on how to include DoD in the interagency agreements that guide interagency coordination of employment services for disabled Veterans participating in the VR&E Program. The JWG added DoD employment assistance programs as a referral source in the draft VA/DOL National Memorandum of Agreement and Technical Assistance Guide that governs interagency procedures supporting Chapter 31 Veterans. The revised draft DOL/VA MOU and TAG referenced above will be finalized upon approval by DOL and VA leadership. The estimated completion date of this recommendation is extended to March 1, 2014.

- Completed - To effectively manage and administer the VR&E Program, VA engages in program studies on an ongoing basis. Currently, VR&E is conducting a longitudinal study of program participants. The longitudinal study project originated with the passage of Public Law 110-389, Section 334. The longitudinal effort centers on individuals who begin participation in the

VR&E Program under Chapter 31 in fiscal years (FY) 2010, 2012, and 2014. Each cohort will be followed for 20 years and a report to Congress will be submitted yearly, showing the change in demographics and trendsetting insight relating to the Veterans within VR&E's Chapter 31 program.

The Vocational Rehabilitation and Employment Longitudinal Study Annual Report 2013 for FY 2012 is complete and reflects positive employment outcomes for Veterans who participated in and successfully completed the VR&E Program. The results of the study reflect that Veterans' successful employment outcomes are positively impacted by their participation in and completion of a VR&E program.

BUDGET IMPLICATIONS: None

6. **VETERAN-OWNED SMALL BUSINESSES: Planning and Data System for VA's Verification Program Need Improvement**; GAO-13-95. Report provided to VA and the public 1/14/13.

RESPONSIBLE OFFICE: Office of Small and Disadvantaged Business Utilization

RECOMMENDATIONS:

- To improve the management and oversight of VA's Service-Disabled Veteran-Owned Small Business (SDVOSB) and Veteran-Owned Small Businesses (VOSB) verification program, the Secretary of Veterans Affairs should direct OSDBU to continue to develop, refine, and implement a formal strategic plan to provide a comprehensive framework to guide, integrate, and monitor the verification program's activities over time. As OSDBU refines the strategic plan, it should incorporate longer-term goals and objectives for the verification program. The plan should also incorporate outcome measures that OSDBU can use to better monitor the verification program's progress and demonstrate its results. OSDBU should also share the plan with key stakeholders.
- To improve the management and oversight of VA's SDVOSB and VOSB verification program, the Secretary of Veterans Affairs should direct OSDBU and the Office of Information and Technology, as they modify or replace the verification program's data system, to integrate their efforts with OSDBU's broader strategic planning effort for the verification program to ensure that the new system not only addresses the short-term needs of the program but also can be readily adapted to meet longer-term needs.

ACTIONS TAKEN:

- VA has developed a five-year strategic plan for OSDBU that creates a comprehensive framework to guide, integrate, and monitor OSDBU's activities, including the verification program's activities over time. This plan was submitted to GAO on December 19, 2013.
- The second recommendation was closed on September 18, 2013 with the submission of the contract for the new system, called Veterans Enterprise Management System (VEMS).

BUDGET IMPLICATIONS: None

7. **VETERANS' DISABILITY BENEFITS: Timely Processing Remains a Daunting Challenge**; GAO-13-89. Report provided to VA and the public 1/18/13.

RESPONSIBLE OFFICE: **Veterans Benefits Administration**

RECOMMENDATIONS:

- The Secretary of Veterans Affairs should direct the Veterans Benefits Administration to develop improvements for partnering with relevant federal and state military officials to reduce the time it takes to gather military service records from National Guard and Reserve sources.
- The Secretary of Veterans Affairs should direct the Veterans Benefits Administration to develop improvements for partnering with Social Security Administration officials to reduce the time it takes to gather medical records.
- The Secretary of Veterans Affairs should direct the Veterans Benefits Administration to ensure the development of a robust backlog reduction plan for VBA's initiatives that, among other best practice elements, identifies implementation risks and strategies to address them and performance goals that incorporate the impact of individual initiatives on processing timeliness.

ACTIONS TAKEN:

- In process – VA has initiated several interagency efforts to improve its receipt of military service records from National Guard and Reserve sources. The VBA/Department of Defense (DoD) Disability Claims Reduction Task Force is one initiative in which VBA is partnering with federal and state officials to reduce the time it takes to gather military service records from DoD, including National Guard and Reserve records. A separate initiative, the joint VA-DoD Virtual Lifetime Electronic Record initiative, continues to analyze methods to improve sharing of records between federal partners and implement solutions specifically focused on the Guard and Reserve components.

The joint VBA/DoD Disability Claims Task Force ended on October 31, 2013. The group was tasked to assist VBA with obtaining National Guard and Reserve records. As a result of the joint task force, VBA provided refresher training to the regional offices on the procedures for requesting and obtaining National Guard and Reserve records and provided guidance for requesting headquarters assistance for problematic record requests. VBA will initiate a pilot program from January 2014 through March 2014 that centralizes requests for National Guard and Reserve records to one

location, the VA Records Management Center, VA Liaison Office. Current system modifications are underway and testing the proof-of-concept phase at two regional offices began the week of January 6, 2014.

On July 1, 2013, DoD provided VA a team of officers and noncommissioned officers to represent each of the Services in direct support of VA's efforts to reduce the disability benefits claims backlog and obtain National Guard and Reserve records. The detail has been extended an additional six months and is to end in June 2014. They serve as advisors to VA and DoD senior leadership regarding interagency coordination and convey recommendations to enhance the efficiency and effectiveness of interagency data sharing.

Also, in July 2013, VA signed a Memorandum of Understanding with the National Guard Bureau that will allow VA to fund VA's portion of the Electronic Case File Transfer (eCFT) system. Business and technical representatives continue to meet regularly to define the requirements and complete the design of the long term solution. VA expects to complete integration within the Integrated Disability Evaluation System environment using eCFT in three phases. The first phase was completed on December 31, 2013. The remaining two phases do not have target completion dates because they are not currently prioritized to be included within a future Veterans Benefits Management System release.

- Completed - VA is currently working closely with the Social Security Administration (SSA) to streamline the claims adjudication process. VA and SSA have partnered via the SSA Government Services Online (GSO) initiative to pilot a Web-based tool that will allow VA personnel to communicate directly with SSA personnel regarding records requests. This will further VA's goal of establishing a paperless environment by automating VA requests for SSA medical records through a secure, electronic messaging system.

In September 2013, 300 VBA employees across all regional offices and the Appeals Management Center received access to SSA's GSO system. Compensation Service trained all new users with SSA-approved materials and issued Fast Letter 13-22. As this initial group of GSO users gains experience with the system and new procedures, they are providing support for the monthly registration and training of additional users by geographic area. By the end of fiscal year (FY) 2014, all VBA employees with a need to request SSA records will do so electronically by using GSO. This will end the traditional process of requesting records by fax or receiving them on encrypted compact disks by mail.

- Completed – *The Department of Veterans Affairs Strategic Plan to Eliminate the Compensation Claims Backlog*, also known as the Common Operating Picture, was finalized and approved on January 25, 2013. This plan provides an overview of the estimated change in claims received, claims produced under the Transformation initiatives, the timing of the initiatives, and the resultant elimination of the backlog prior to the end of FY 2015.
- At present, VBA is aggressively implementing its Transformation Plan, a series of tightly integrated people, process, and technology initiatives. This integrated approach is measured holistically and not individually by initiative. VBA considers the recommendation to develop a plan to be complete. However, VBA transformation actively continues, and VBA expects the transformation plan to evolve with adjustments as appropriate during the implementation process.

BUDGET IMPLICATIONS: None

8. VA HEALTH CARE: Reliability of Reported Outpatient Medical Appointment Wait Times and Scheduling Oversight Need Improvement; GAO-13-130. Report provided to VA and the public 1/18/13.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To ensure reliable measurement of veterans' wait times for medical appointments, the Secretary of VA should direct the Under Secretary for Health to take actions to improve the reliability of wait time measures either by clarifying the scheduling policy to better define the desired date, or by identifying clearer wait time measures that are not subject to interpretation and prone to scheduler error.
- To better facilitate timely medical appointment scheduling and improve the efficiency and oversight of the scheduling process, the Secretary of VA should direct the Under Secretary for Health to take actions to ensure that VAMCs consistently and accurately implement VHA's scheduling policy, including use of the electronic wait list, as well as ensuring that all staff with access to the VistA scheduling system complete the required training.
- To improve timely medical appointment scheduling, the Secretary of VA should direct the Under Secretary for Health to develop a policy that requires VAMCs to routinely assess clinics' scheduling needs and resources to ensure that the allocation of staffing resources is responsive to the demand for scheduling medical appointments.
- To improve timely medical appointments and to address patient and staff complaints about telephone access, the Secretary of VA should direct the Under Secretary for Health to ensure that all VAMCs provide oversight of telephone access and implement best practices outlined in its telephone systems improvement guide.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - In December 2013, the Veterans Health Administration (VHA) piloted the "agreed upon date (AUD)" process. In the pilot process, a number of issues were identified. Currently, further analysis on the outcome of AUD measures is underway.
 - In 2013, upcoming revisions to VHA's scheduling policy and processes were communicated to VHA facilities, to include improvements and standardization of the use of electronic wait lists (EWL). VHA required

Veterans Integrated Service Networks (VISN) to verify and update each Facility Scheduler Master List. VHA also required all schedulers to complete a standardized training update on the new procedures. In April 2013, the field was provided a series of virtual conferences on proper use of the EWL, coupled with information on the new “create date.” Since that time, a training team has been established to convert the virtual conferences to a web-based training.

- VHA studied the options to enhance existing systems to perform more frequent reporting on full time equivalent employee status of schedulers. The Access Index passed user acceptance testing and is in production in the VISN Support Services Center (VSSC). This tool provides clinic profile level data for the entire country showing the population, wait time, scheduling, and clinic operations data elements both in a “snapshot” chart form and graphs trending data elements over time.
- VHA developed a standardized telephone assessment tool. VHA requested that facilities that care for 5,000 Veterans or more to perform the telephone assessment and select actions for improvement based on the Telephone Improvement Guide.

BUDGET IMPLICATIONS: None known at this time.

9. **VETERANS' HEALTH CARE: Improvements Needed to Ensure That Budget Estimates Are Reliable and That Spending for Facility Maintenance Is Consistent with Priorities;** GAO-13-220. Report provided to VA and the public 2/22/13.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To improve the reliability of information presented in VA's congressional budget justifications that support the President's budget request for VA health care, the Secretary of Veterans Affairs should determine why recent justifications have overestimated spending for non-NRM activities and incorporate the results to improve future budget estimates for such activities.
- To provide reasonable assurance that VA's networks prioritize NRM spending consistent with VA's overall NRM priorities, the Secretary of Veterans Affairs should establish written policies for its networks for applying SCIP criteria when prioritizing the funding of NRM projects that are below the threshold for inclusion in VA's centralized prioritization process.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - The Department of Veterans Affairs (VA) worked on improving estimates for non-recurring maintenance (NRM) activities funded by the Medical Facilities appropriation in future budget submissions. Because of environmental factors and differences between requested and appropriated amounts, however, variances in the execution of the budget may still exist. Future actions will be dependent on next Presidential Budget submission.
 - The draft NRM Handbook was updated to incorporate application of SCIP criteria when prioritizing the funding of NRM projects that are below the threshold for inclusion in VA's centralized prioritization process. NRM and Construction Specifications Index (CSI) chapters of the Healthcare Engineering and Capital Asset Management Handbooks are available at the VHA Center for Engineering & Occupational Safety and Health (CEOSH) webpage (<http://vaww.ceosh.med.va.gov/01HP/Pages/guidebooks.shtml>).

- In January 2013, the Network Directors were trained during four meetings held by the Office of Capital Asset Management Engineering and Support. The Deputy Under Secretary for Health for Operations and Management also communicated policy changes to Network Directors in May 2013, calling for prioritized below-threshold SCIP projects by the end of June 2013. Veterans Integrated Service Network (VISN) Capital Asset Managers conducted VISN Prioritization reviews for under threshold NRMs prior to finalization of the NRM operating plan. Office of Capital Asset Management and Support (OCAMES) reviewed the VISN Prioritization results to ensure compliance with policy. VHA provided the NRM/CSI Operating Plan to the Office of Asset and Enterprise Management prior to the start of fiscal year 2014 obligations.

BUDGET IMPLICATIONS: None known at this time.

10. VETERANS HEALTH CARE: VHA Has Taken Steps to Address Deficiencies in Its Logistics Program, but Significant Concerns Remain; GAO-13-336. Report provided to VA and the public 4/17/13.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To assist VAMCs and networks in complying with VHA's new logistics requirements, and thereby help ensure patient safety and the cost-effective use of resources, the Secretary of Veterans Affairs should determine appropriate resource levels for VAMC logistics programs and provide training and best practices to VAMCs to help them (1) ensure that logistics staff, rather than clinical department staff, manage all medical supplies; (2) ensure that all items that VAMCs purchase are captured on their lists of approved medical supplies and RME; and (3) enter all stock surgical and dental instruments into the appropriate inventory management system.
- To assist VAMCs and networks in complying with VHA's new logistics requirements, and thereby help ensure patient safety and the cost-effective use of resources, the Secretary of Veterans Affairs should reinforce through communication the requirement that VAMCs develop a formal process for reviewing and approving emergency purchases of medical supplies and reusable medical equipment (RME).
- To assist VAMCs and networks in complying with VHA's new logistics requirements, and thereby help ensure patient safety and the cost-effective use of resources, the Secretary of Veterans Affairs should develop a systematic method using available VHA data to assist VAMCs in tracking compliance with national contracts and blanket purchase agreements.
- To assist VAMCs and networks in complying with VHA's new logistics requirements, and thereby help ensure patient safety and the cost-effective use of resources, the Secretary of Veterans Affairs should direct the Under Secretary for Health to issue guidance to VAMCs and networks regarding interpretation of the Management Quality Assurance Service checklist and reinforce through communication the requirement that VAMCs correct deficiencies within 90 days after they were identified or request an extension and that networks use the entire checklist when conducting their reviews of VAMC logistics programs and complete their review within the required time frame.
- To address concerns about VHA's pilot of a new inventory management system, known as Service Oriented Architecture Research and Development (SOARD), the Secretary of Veterans Affairs should direct the Under Secretary for Health to develop a written plan that outlines how the SOARD pilot will be evaluated before the pilot is expanded to additional

VAMCs or preparations are made to implement SOARD nationally. This plan should include formal criteria for evaluating the overall performance of the pilot, which are based on consistent data collected from each pilot site, as well as a strategy for addressing concerns about (1) funding needed for SOARD, (2) staffing resources needed for SOARD implementation at VAMCs, and (3) establishing interoperability between SOARD and legacy systems.

- To address concerns about VHA's implementation of a system for electronically tracking medical supplies and equipment, known as Real Time Location System (RTLS), the Secretary of Veterans Affairs should direct the Under Secretary for Health to develop an updated implementation plan that reflects timelines for establishing interoperability between RTLS and VHA's inventory management systems and SOARD.
- To address concerns about VHA's implementation of a system for electronically tracking medical supplies and equipment, known as RTLS, the Secretary of Veterans Affairs should direct the Under Secretary for Health to develop an updated implementation plan that reflects timelines for installing wireless capabilities at VAMCs once funding is available for this effort.
- To address concerns about VHA's implementation of a system for electronically tracking medical supplies and equipment, known as RTLS, the Secretary of Veterans Affairs should direct the Under Secretary for Health to develop an updated implementation plan that reflects timelines for completing data cleansing activities at VAMCs in preparation for RTLS implementation.
- To address concerns about VHA's program executive office for providing logistics support and managing the standardization of medical supplies and equipment, the Secretary of Veterans Affairs should direct the Under Secretary for Health to develop a plan for measuring the success of the program executive office.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - The Procurement and Logistics Office (P&LO) continued facilitating work to determine appropriate resource levels for Veterans Affairs Medical Center (VAMC) logistic programs by (1) conducting a survey to determine numbers of Full-time Employee Equivalent (FTEE) per facility, competency levels of FTEE, and workload to establish baseline staff supply and demand; (2) assessing quality data received from Veterans Integrated Service Network (VISN) Chief Logistics Officers (CLO) for evidence that a facility is not performing at the standards expected; and (3) assessing

functionality of facilities logistics operations and making recommendations on staffing, processes, and staff development. P&LO published quarterly Logistics Information Fact Sheet to provide training and best practice guidance to facility logistics program staff. P&LO developed and deployed a National Clinical Formulary Website (NCFW) for use by VHA field logistics personnel. P&LO completed field staff training on how to list purchases. P&LO established a 24-hour help desk for the NCFW. P&LO is monitoring and verifying that all stock surgical and dental instruments are entered into the appropriate inventory management system by reissuing an updated memorandum from the Deputy Under Secretary for Health for Operations and Management. Additionally, P&LO is collaborating with the Real Time Location System (RTLS) program management office to assist them in developing a plan for implementation of an instrument tracking system. This system will track all surgical instruments. P&LO conducted a survey to determine appropriate resource levels for facility logistics programs, numbers of FTEE per facility, competency levels of FTEE, and workload. The survey was completed in June 2013. P&LO collaborated with the VA Acquisition academy on a four level Supply Chain Professional curriculum to address competency levels.

- In June 2013, P&LO released a memo that reinforced the requirement that VAMCs develop a formal emergency review process for medical supplies and reusable medical equipment. The memo is titled, *Correction of Deficiencies Noted in GAO Report 11-391 – Weaknesses in Policies and Oversight Governing Medical Supplies and Equipment Pose Risks to Veterans’ Safety*.
- P&LO continued monitoring the use of the Medical/Surgical Prime Vendor and initiated development of additional methods to monitor use of national contracts and agreements. Methods development includes requesting support for technology acquisition to improve both existing data and the creation of new records to ensure data standards/quality.
- P&LO issued guidance to Network Directors to ensure: (1) facilities have corrected deficiencies within 90 days or requested an extension; (2) that networks use the entire checklist when conducting their reviews of VAMC logistics programs; and (3) that VISNs complete their reviews within the timeframe established by P&LO.
- The RTLS program management office developed and continued to support an Integrated Master schedule that includes: a) individual facility/VISN level project plans with requirements for wireless deployments, space file assessment to computer-aided design (CAD) drawings, and data cleansing activities in AEMs/MERS, b) vendor implementation and installation activities, c) Service Oriented Architecture Research and Development (SOARD) – Maximo deployment activities and

tasks for integration, d) national wireless deployment schedules, and e) multiple other clinical software project schedules that impact/have a relationship with any of the RTLS current or future application.

- The P&LO developed a plan for measuring the success of the Program Executive Office (PEO). The PEO tracking tool records, tracks, monitors, and measures the submission of acquisition plans to contracting activities. Through the use of a SharePoint site, metrics were developed to reflect the rate of submission against the time of contract award. The PEO Tracking Tool was presented to senior leadership in October 2013. The tool's functionality was deemed effective and approved by the Chief Procurement & Logistics Officer.

BUDGET IMPLICATIONS: Technology acquisition for the Future Transformational Tool (FTT) to improve data quality: FY 2014 \$16.5M, and FY 2015-2018 \$2.5M annually.

11. VA and IHS: Further Action Needed to Collaborate on Providing Health Care to Native Veterans; GAO-13-354. Report provided to VA and the public 4/26/13.

RESPONSIBLE OFFICE: Office of Public and Intergovernmental Affairs

RECOMMENDATIONS:

- To ensure the health care needs of Native American veterans are addressed most efficiently and effectively, as the agencies move forward with revising the MOU's performance metrics and measures the Secretary of Veterans Affairs and Secretary of Health and Human Services should, ensure that the revised metrics and measures allow decision makers to gauge whether achievement of the metrics and measures supports attainment of MOU goals.
- To ensure the health care needs of Native American veterans are addressed most efficiently and effectively, the Secretary of Veterans Affairs and Secretary of Health and Human Services should develop processes to better ensure that consultation with tribes is effective, including the following, (1) a process to identify the appropriate tribal members with whom to communicate MOU-related information, which should include methods for keeping such identification up-to-date. (2) A process to clearly outline and communicate to tribal communities the agencies' response to tribal input, including any changes in policies and programs or other effects that result from incorporating tribal input. (3) A process to establish timelines for releasing information to tribal communities to ensure they have enough time to review and provide input or, in the case of meetings, determine the appropriate tribal member to attend the event.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - The Office of Rural Health (ORH) revised the Veterans Affairs (VA) -Indian Health Service (IHS) Memorandum of Understanding (MOU) workgroup data collection reporting template to include a question for determining "how" each of the workgroup's measures were determined. This revision is intended to provide baseline knowledge regarding the rationale and intent of the measure(s). ORH collected quarterly data reports from each Workgroup and compiled main themes.

- The Chief Business Office Purchased Care (CBOPC) is responsible for the implementation of VA-IHS MOU Workgroup #6, Payment and Reimbursement. CBOPC worked closely with IHS on implementation strategies. The VA-IHS National Reimbursement Agreement was signed by VA Under Secretary for Health and the IHS Director on December 5, 2012. VHA CBOPC and IHS updated Workgroup #6's objectives and measures, effectively renewing the Workgroup's efforts to implement the approved VA-IHS National Reimbursement Agreement at all IHS locations. Since the December 5, 2012 signing of the VA-IHS National Reimbursement Agreement, VA and IHS kicked off Phase one implementation using ten pilot sites in March 2013. Phase two began in May 2013, which included all the remaining IHS health care facility sites, consisting of 71 local implementation plans, and covering 106 total facilities. Phase two concluded in July 2013.
- The Tribal Healthcare Program (THP) also continues to grow with a total of 39 signed reimbursement agreements in place and 65 additional THP sites expressing interest or currently in process of completing a reimbursement agreement.

BUDGET IMPLICATIONS: In FY13, VA reimbursed approximately \$1.8M for direct care services to IHS and THP for over 2,000 eligible American Indian/Alaska Native Veterans. The VHA Chief Business Office (CBO) continues to assess annual budget requests to ensure funding meets the needs of VA's reimbursement program with IHS and Tribal Healthcare Programs.

12. VA CONSTRUCTION: Additional Actions Needed to Decrease Delays and Lower Cost of Major Medical-Facility Projects; GAO-13-302. Report provided to VA and the public 5/3/13.

RESPONSIBLE OFFICE: Office of Acquisitions, Logistics and Construction

RECOMMENDATIONS:

- To improve the management of VA's major construction projects, the Secretary of Veterans Affairs should develop and implement agency guidance for assignment of medical equipment planners to major medical construction projects.
- To improve the management of VA's major construction projects, the Secretary of Veterans Affairs should develop and disseminate procedures for communicating, to contractors, clearly defined roles and responsibilities of VA officials who manage major medical-facility projects, particularly the change-order process.
- To improve the management of VA's major construction projects, the Secretary of Veterans Affairs should issue and take steps to implement guidance on streamlining the change-order process based on the findings and recommendations of the Construction Review Council.

ACTIONS TAKEN:

VA successfully implemented and documented solutions for each of the recommendations. GAO notified VA of the report closure on November 18, 2013.

BUDGET IMPLICATIONS: None

13. VA EDUCATION BENEFITS: VA Needs to Improve Program Management and Provide More Timely Information to Students; GAO-13-338. Report provided to VA and the public 5/22/13.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

- To improve VA's administration of the Post-9/11 GI Bill and other education benefit programs and help veterans achieve their education goals, the Secretary of Veterans Affairs should develop materials or processes to inform student veterans about education benefits before they enroll in school, including expected payment timelines, housing allowance policies, and other financial resources such as the availability of grants and loans provided by Education. For example, VA could provide veterans with current information on expected processing times when they submit their original applications for VA education benefits, and more clearly highlight in online and printed resources VA's housing allowance policies and the availability of federal grants and loans to help veterans financially prepare for school breaks.
- To improve VA's administration of the Post-9/11 GI Bill and other education benefit programs and help veterans achieve their education goals, the Secretary of Veterans Affairs should work with postsecondary schools to identify the types of information that would help facilitate more timely access to other sources of federal financial aid during the VA benefit processing period.
- To improve VA's administration of the Post-9/11 GI Bill and other education benefit programs and help veterans achieve their education goals, the Secretary of Veterans Affairs should leverage the experience and best practices of those schools and organizations that are currently providing support services to student veterans, for example, by hosting an online forum or raising awareness of existing resources from higher education associations and veteran service organizations.
- To improve VA's administration of the Post-9/11 GI Bill and other education benefit programs and help veterans achieve their education goals, the Secretary of Veterans Affairs should develop a plan for using new sources of data on student veteran outcomes as they become available to improve program management and help student veterans achieve their academic goals.

ACTIONS TAKEN:

- Completed - VBA's Education Service, in conjunction with the VBA-Department of Defense Program Office, participated in redesigning the

Transition Assistance Program curriculum that is now mandatory for Servicemembers to attend. Servicemembers attend an in-person briefing that includes a full day spent with a trainer dedicated to education benefits and use of an interactive online tool to learn about their benefits. In addition, the GI Bill Web site provides detailed information about housing allowances and provides Frequently Asked Questions.

Education Service conducts quarterly interactive webinar training sessions with school certifying officials, our liaison representatives, and other advocates. Education Service also participates in national events held for Congressional, military, Veteran, and higher education personnel, providing opportunities for personalized contact. In addition, they have an ongoing partnership with the Department of Education and participate in Twitter Town Halls targeted at Veterans, Servicemembers, and dependents to discuss VA education benefits and the alternative financial support federal student aid provides.

VA provides public-facing information regarding the accuracy and timeliness of education claims processing on the ASPIRE dashboard. VBA also added a link to the ASPIRE dashboard on the GI Bill Web site contact page for Regional Processing Offices.

- Completed – In response to the Executive Order 13607, VA worked with the State Approving Agencies and institutions to provide information on the Principles of Excellence, which includes information on the financial aid process. VA’s “Choosing a School” Web page offers students assistance to make informed education choices. Students can use the interactive “College Navigator” to search by institution type, location, program availability, certificate level, tuition cost, test score requirements, online/weekend availability, credit for life experience, and compare the results. It also links to federal student aid information, career information in the Department of Labor’s Occupational Outlook Handbook, and the College Affordability and Transparency Center, where students can browse lists of schools by tuition cost and net price.

VA continues to support efforts to provide Veterans with information needed to make informed decisions regarding their benefits. VA has taken a number of steps to support and promote the use of the financial aid shopping sheet, including posting the information on our website, discussing the information at quarterly webinars, and including the information in speaking engagements. VA will continue to support and promote all of the Principles of Excellence and, thus, will continue to

support schools by providing any new or updated financial aid information received through webinars and speaking engagements.

- Completed - Education Service works directly with school partners to provide information about school programs and other resources. The quarterly school certifying official webinar gives schools a chance to meet with VA, review education programs, learn about current topics and events affecting students, and any changes to the GI Bill and processing procedures. There is also a "Question and Answer" portion and a "Best Practices Discussion" to enhance the flow of information between VA and our partners.

Further, the "School Resources" button on the main page of the GI Bill Web site offers information, training curriculum, a VA Campus Toolkit to help schools provide a Veteran-friendly environment, and a Toolkit for Veteran Friendly Institutions. Education Service will continue to hold quarterly school certifying official webinars to raise awareness of existing resources and discuss best practices.

- Completed - VBA approved the outcome measures on September 23, 2013. The approved outcome measures are as follows: Retention Rate, Persistence Rate, Transfer-out Rate, Graduation/Program Completion Rate, and Number of Degrees/Certificate Completions.

VBA will begin collecting data for these measures during fiscal year 2014, and this will be a continuous effort. VBA will use the information to improve program management, but our latitude under title 38, United States Code, to directly impact student outcomes is limited because the data is voluntarily reported by schools.

BUDGET IMPLICATIONS: None

14. VA HEALTH CARE: Management and Oversight of Fee Basis Care Need Improvement; GAO-13-441. Report provided to VA and the public 5/31/13.

RESPONSIBLE OFFICE: **Veterans Health Administration**

RECOMMENDATIONS:

- To effectively manage fee basis care spending, the Secretary of Veterans Affairs should revise the beneficiary travel eligibility regulations to allow for the reimbursement of travel expenses for veterans to another VAMC to receive needed medical care when it is more cost-effective and appropriate for the veteran than seeking similar care from a fee basis provider.
- To effectively manage fee basis care wait times and spending, the Secretary of Veterans Affairs should direct the Under Secretary for Health to require during the fee basis authorization process that VA providers and fee basis officials determine the cost-effectiveness of reimbursing medically stable veterans eligible for beneficiary travel for travel to another VAMC rather than referring them to a fee basis provider for similar care.
- To effectively manage fee basis care wait times and spending, the Secretary of Veterans Affairs should direct the Under Secretary for Health to analyze the amount of time veterans wait to see fee basis providers and apply the same wait time goals to fee basis care that are used as VAMC-based wait time performance measures.
- To effectively manage fee basis care wait times and spending, the Secretary of Veterans Affairs should direct the Under Secretary for Health to establish guidance for VAMCs that specifies how fee basis care should be incorporated with other VAMC utilization management efforts.
- To ensure that VA Central Office effectively monitors fee basis care, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure that fee basis data include a claim number that will allow for VA Central Office to analyze the episode of care costs for fee basis care.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - Veterans Health Administration's (VHA) Chief Business Office (CBO) has incorporated into a draft revision of Beneficiary Travel (BT) regulations allowance for the reimbursement of travel expenses for Veterans traveling to another Veterans Affairs (VA) health care facility to receive needed medical care when it is more cost-effective and appropriate. Relevant decision making will take into account Veteran's choice as to place of care;

medical condition(s); ability to travel; required family support; and other relevant circumstances.

- The following statement has been added to the Non-VA Medical Care Coordination (NVCC) “Referral Review” standard operating procedure: “Determine availability of services - prior to authorizing Non-VA care as the source of care, internal VA and inter-facility VA sources should be utilized first. Before determining to purchase care through the Non-VA Medical Care program, a cost benefit analysis including associated Beneficiary Travel costs must be performed.”
- The NVCC project completed deployment of standard operating procedures on September 30, 2013. Limited data from 23 VHA facilities for the project was captured and reported to track Non-VA Medical Care consult closure times and to track date of authorization to date of services for Non-VA Medical Care claims paid. CBO’s assessment of current technology is that current electronic systems are not capable of yielding a wait time indicator. Requirements for timeliness are addressed in future VistA Fee replacement software system, Healthcare Claims Processing (HCP) System. VHA is currently implementing Patient-Centered Community Care (PC3) contracts to provide Non-VA Medical Care through provider networks with contractually agreed-upon appointment timeliness standards. While care provided through PC3 will only represent a portion of the entire Non-VA Medical Care program, reporting on contractor performance with regard to appointment timeliness will be available before implementation of HCP.
- Monthly data collection on usage of NVCC tools for care coordination and application of utilization management principles demonstrated sustainment of newly adopted practices. The NVCC standard operating procedure directs clinical review staff to conduct admission and continued stay reviews: The “NON VA CARE HOSPITAL NOTIFICATION NOTE” template in computerized patient record system (CPRS) will be initiated upon notification from the Non-VA facility; and any updates, continued stay reviews, care coordination, discharge planning, etc., will be added to the existing progress note as an “addendum.” By utilizing “identify additional signer(s)” option, a “View Alert” notification will be created in CPRS informing appropriate staff of the Non-VA hospital notification.
- CBO is analyzing data from the Corporate Data Warehouse and Program Integrity Tool that will allow for analysis of episode of care costs. Since the GAO audit, Patch 22 (Program Integrity Tool) in the Fee Basis Claims System (FBCS) has been implemented. The patch provides a method for integrating, sending, receiving, tracking, and managing claims so that analysis of the episode of care costs can be completed for claims that are processed through FBCS. The Program Integrity Tool assigns a unique claim key number (similar to a claim number) to all claims associated with an episode of care within the FBCS. This unique claim key number can be

used to monitor episode of care costs. The Program Integrity Tool is in an operational phase and has been implemented in 6 VISNs. The Program integrity Tool's cost avoidance year-to-date is \$502,335.26. National implementation is underway and pre-payment claim review is dependent on CBO staff obtaining access to each VISN's VistA Fee and FBCS server. Current CBO Staff access is at 64 percent.

BUDGET IMPLICATIONS: None known at this time.

15. **VA VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM: Improved Oversight of Independent Living Services and Supports Is Needed**; GAO-13-474. Report provided to VA and the public 6/7/13.

RESPONSIBLE OFFICE: Veterans Benefits Administration

RECOMMENDATIONS:

- The Secretary of Veterans Affairs should direct the Undersecretary for Benefits to work with the Undersecretary for Health to explore options on ways to enhance coordination to ensure IL track veterans' needs are met by VHA, when appropriate, in a timely manner. This could include improving staff education, response times to IL referrals, and the provision of medically related goods and services.
- The Secretary of Veterans Affairs should direct the Undersecretary for Benefits to implement an oversight approach that enables VR&E to better ensure consistent administration of the IL track across regions. In developing this approach, consider ensuring that VR&E's CWINRS system: (1) Tracks the total cost and types of benefits provided to each veteran in the IL track by regional office. (2) Accounts for the number of individual veterans served to ensure that the agency has the information it needs to adequately manage the IL track. (3) Contains stronger data entry controls to ensure that IL track information is recorded in a consistent manner and is accurate and complete.
- The Secretary of Veterans Affairs should direct the Undersecretary for Benefits to reassess and consider enhancing the agency's current policy concerning the required level of approval for IL track expenditures, given the broad discretion individual regional offices have in determining the types of goods and services IL track veterans receive.

ACTIONS TAKEN:

- In process -VBA and the Veterans Health Administration (VHA) will continue to work together to improve the coordination of services and ensure the needs of Vocational Rehabilitation and Employment (VR&E) participants are met expeditiously, as required in VHA Directive 2010-022.

VR&E counselors currently access VHA's Compensation and Pension Record Interchange (CAPRI) system to obtain information related to the scheduling of consultations and appointments. In addition, VBA worked with VHA to develop an automated referral system in CAPRI enabling VR&E counselors to make referrals to VHA providers electronically and improve the timeliness of requests. Electronic confirmation for requests

and verification of completions will also be available. A 60-day pilot of the system began on September 30, 2013. Due to the government shutdown in October 2013, the pilot was interrupted. VR&E is working with VHA to extend the pilot period. Upon completion of the pilot, VBA and VHA intend to implement the new process nationally. Target Completion Date: March 31, 2014.

- In process - VBA will review the current oversight procedures and conduct a thorough assessment of areas that can be strengthened to ensure consistent administration of the independent living (IL) track across regions. While funding does not currently exist for CWINRS enhancements to support this effort, VBA will consider whether ad hoc reports can be developed in the absence of CWINRS enhancements. VBA will also consider preparing business requirements for future enhancements to CWINRS for implementation in future years.

The potential new oversight approach for the IL track is being addressed as part of the Independent Living Business Process Reengineering Study. Completion of the Transformation Plan being developed as part of this study was delayed due to the government shutdown in October 2013. It is anticipated that the Transformation Plan will be submitted to VR&E Service in the second quarter of fiscal year 2014. Target Completion Date: March 31, 2014.

- In process - VBA has extensive review requirements for all plans of IL services. Currently, all plans of IL services must be approved by the VR&E Officer before any services are provided or expenditures are authorized. This oversight is unique among VR&E rehabilitation plans and provides the local manager an opportunity to question or obtain additional justification for both proposed services and the resulting costs.

VBA finds merit in reassessing the current policy to identify areas that can be strengthened. While the existing policy includes a great deal of cost-threshold approvals, there may be room for improvement in the consistent application across regional offices in determining the types of goods and services IL Veterans receive. VBA will consider results and recommendations from the current contracted assessment of the IL program in this assessment to determine if changes are needed to existing cost-review policies or procedures. If necessary, changes will be implemented by March 31, 2014.

BUDGET IMPLICATIONS: None

16. VA HEALTH CARE: Additional Steps Needed to Strengthen Beneficiary Travel Program Management and Oversight; GAO-13-632. Report provided to VA and the public 7/15/13.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To improve the management and oversight of the Beneficiary Travel Program, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure appropriate internal controls have been identified and applied in the development and implementation of all of VHA's efforts aimed at improving the program, including (1) developing and implementing a plan to evaluate performance indicators for the Beneficiary Travel Analytics Tool, (2) providing timely guidance and effective communication tools to medical centers as VHA completes its implementation of EFT, (3) ensuring medical centers' compliance with Dashboard and other improvement efforts, and (4) routinely collecting information to identify and share best practices across medical centers.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - Analytic tools and a system of reporting of high risk case reviews have been implemented. Veterans Health Administration (VHA) facilities are being provided with monthly station-specific results of tool findings. Facilities are then reviewing high risk cases and submitting actions taken on those cases. Initial results have been tabulated and presented to appropriate Veterans Integrated Service Network (VISN) and national leadership for review and possible action.
 - VHA's Office of Finance met with the VHA Office of Communications in July 2013 to discuss additional communications tools to raise awareness and understanding of a debit card program as an alternative payment mechanism for Veterans who decline direct deposit. Development of communication materials has been postponed because the Veterans Administration's (VA) debit card electronic funds transfer (EFT) payment format (i.e., CCD) is incompatible with the card provider's (Comerica Bank) format requirement (i.e., PPD). VA began work on the programing requirements to use a PPD format.
 - VHA has nearly completed development of the new audit process and associated communication plan that will ensure compliance with BT

policies and procedures, including use of the BT Dashboard and recently released VistA BT enhancements. VHA began field assistance audits of facility compliance with BT Dashboard and other improvements in November 2013.

- The BT Resource Center SharePoint site was established and has more than 35 beneficiary travel guidance documents and further resource links including a best practices area. Field stations began populating the section and vetted results were shared on stakeholder calls, education calls, and incorporated into appropriate guidance documents.

BUDGET IMPLICATIONS: None known at this time.

17. VETERANS' HEALTH CARE BUDGET: Improvements Made, but Additional Actions Needed to Address Problems Related to Estimates Supporting President's Request; GAO-13-715. Report provided to VA and the public 8/8/13.

RESPONSIBLE OFFICE: Veterans Health Administration

RECOMMENDATIONS:

- To improve the clarity and transparency of information in VA's congressional budget justifications that support the President's budget request for VA health care, the Secretary of Veterans Affairs should use consistent terminology to label estimates of administrative personnel costs.
- To improve the clarity and transparency of information in VA's congressional budget justifications that support the President's budget request for VA health care, the Secretary of Veterans Affairs should provide consistent and comprehensive information explaining the costs included in each budget category for administrative costs.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - The Department of Veterans Affairs (VA) is prepared to incorporate consistent terminology to label estimates of administrative and personnel costs in the fiscal year (FY) 2015 President's Budget submission. The Veterans Health Administration (VHA) is awaiting additional information from the Office of Management and Budget.
 - Actions will be incorporated into the FY 2015 President's Budget submission. Release date of the FY 2015 President's Budget submission is subject to change due to Congressional budget negotiations. VHA is awaiting additional information from the Office of Management and Budget.

BUDGET IMPLICATIONS: None known at this time.

18. VA HEALTHCARE: Actions Needed to Improve Administration of the Provider Performance Pay and Award Systems; GAO-13-536; issued 8/23/13.

**RESPONSIBLE OFFICE: Veterans Health Administration
 Human Resources and Administration**

RECOMMENDATIONS:

- To clarify VA's performance pay policy, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to specify in policy the overarching purpose of performance pay.
- To clarify VA's performance pay policy, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to specify in policy how medical centers should document that supervisors have discussed performance pay goals with providers within the first 90 days of the fiscal year.
- To clarify VA's performance pay policy, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to specify in policy that medical centers should document approval of performance pay amounts and that the approval occurred before the required March 31 disbursement date.
- To clarify VA's performance pay policy, the Secretary of Veterans Affairs should direct the Assistant Secretary for Human Resources and Administration to specify in policy how medical center officials should document whether performance-related personnel actions had an impact on providers' achievement of performance pay goals, and as a result, affected performance pay decisions.
- To ensure that performance pay goals are consistent with the overarching purpose that VA specifies for this pay, the Secretary of Veterans Affairs should direct the Under Secretary for Health to review existing performance pay goals across VA's health care system.
- To strengthen oversight of medical centers' compliance with VA policy requirements for performance pay and awards, the Secretary of Veterans Affairs should direct the Under Secretary for Health to ensure medical centers are in compliance with the requirements in the performance pay and award policies.
- To strengthen oversight of medical centers' compliance with VA policy requirements for performance pay and awards, the Secretary of Veterans Affairs should direct the Under Secretary for Health to assign responsibility to a VHA organizational component with the knowledge and expertise to ensure correction of medical centers' noncompliance with VA's performance pay and award policy requirements, including problems

identified during Consult, Assist, Review, Develop, and Sustain (CARDS) reviews, and ensure that medical centers maintain compliance with these requirements.

ACTIONS TAKEN:

- Since the report was published, the following actions have been taken to address the recommendations:
 - A policy revision to VA Handbook 5007, part IX has been developed that will clearly articulate the purpose of performance pay under VA's Physician and Dentist pay system. The purpose of performance pay is to identify and communicate goals and objectives, that when met, improve health care outcomes and quality.
 - VA Handbook 5007, part IX was revised to require performance pay goals and objectives be communicated to each individual physician and dentist within 90 days of the beginning of each fiscal year, or within 30 days from the date a physician or dentist is newly hired. VA Form 10-0432, Performance Pay Recommendation & Approval, has been revised to include a section that will document when performance goals and objectives are communicated to the individual employee; the form will require signatures from both the employee and the supervisor/management official.
 - VA Handbook 5007, part XI was revised to clarify and address the requirement that at the end of each fiscal year supervisors must evaluate and communicate to each physician and dentist the degree to which the individual achieved the performance goals and objectives identified at the beginning of the fiscal year. Any subsequent performance pay should be dispersed to the employee no later than March 31st and must be approved before payment may be made. VA Form 10-0432 has been revised to include a signature and date signed block for the recommending official, the employee and the approving official.
 - VA Handbook 5007, part IX was also revised to clarify that managers should consider the degree to which a performance-based or conduct-based action had on the provider's ability to achieve performance pay goals and objectives and document VA Form 10-0432 accordingly.
 - The revision to VA Handbook 5007, part IX has received all required concurrences, has been routed for final signature and certification, and should be published by the end of February 2014.
 - On February 11, 2013, the Under Secretary for Health (USH) charged the National Leadership Council (NLC) Workforce Committee to conduct a review of policies and controls associated with the administration of physician and dentist performance pay. The NLC Workforce Committee established a working group of physician leaders to conduct the

assessment. The working group interviewed Chiefs of Staff from 55 Veterans Health Affairs (VHA) facilities nationwide with diverse levels of size and complexity. Primary areas of focus for the workgroup included evaluating challenges associated with establishing performance pay goals, inconsistent application of performance pay, and the overall perceived value of performance pay. Findings of the work group were presented to the NLC Workforce Committee on March 25, 2013. An action plan to address areas cited for improvement was submitted to the Office of the USH on April 29, 2013. On June 20, 2013, the USH charged a new task force with building upon the prior work of the Workforce Committee and making recommendations for ensuring a consistent and system-wide process for setting, evaluating, and awarding of physician and dentist performance pay. This work will include recommendations for reviewing and setting performance pay goals across the system that are aligned to help VHA achieve its strategic imperatives. The Physician and Dentist Performance Pay Taskforce issued a report to the USH on August 23, 2013.

- To ensure medical centers are in compliance with requirements in Veterans Affairs (VA) Handbook 5007, in May 2013, the USH established a Workforce Task Force to develop and provide guidance and methodology for physician performance pay. The task force is charged with making recommendations to the USH for specific actions to address guidance and provide clarification on performance pay requirements. The task force evaluated existing policy, physician performance pay data, and identified necessary evaluation tools to eliminate the wide variability in the development of physician performance pay goals, and the amount of performance pay awarded to eligible physicians and dentists. The task force submitted a signed report in August, initiated a communication plan, communicated on the Network Director call, Friday Hotline call, and the Chief Medical Officer Face to Face Meeting. The task force developed a SharePoint site with open access that contains all efforts, including the report, a PowerPoint summary of the report, all the background information, and a menu of potential pay for performance targets.
- A memorandum on Physicians Performance Pay has been drafted. An announcement was made to the field during the Network Directors call on September 26, 2013, and the Hotline call on September 27, 2013, regarding Physician Performance Pay.

BUDGET IMPLICATIONS: None known at this time.

19. VA BENEFITS: Improvements Needed to Ensure Claimants Receive Appropriate Representation; GAO-13-643. Report provided to VA and the public 8/30/13.

RESPONSIBLE OFFICE: Office of General Counsel

RECOMMENDATIONS:

- To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to ensure an appropriate level of staff and IT resources are in place to implement the requirements of the accreditation program. This should include exploring options for utilizing other VA components and resources outside of OGC.
- To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to strengthen initial and continuing knowledge requirements for accreditation for all types of representatives.
- To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to enhance communications with claimants, including how they can report complaints related to their representation. This could include exploring options for incorporating information about representation and veterans' rights into existing communications and outreach efforts.
- To improve VA's ability to ensure that claimants are represented by qualified and responsible individuals, the Secretary of Veterans Affairs should explore options and take steps to address potentially abusive practices by representatives who lack accreditation, charge inappropriate fees, or sell financial products to claimants that are not in their best interest. If necessary, VA should consider seeking additional legislative authority to address such practices and enforce program rules.

ACTIONS TAKEN:

- OGC, which is responsible for administering the accreditation program, recently obtained the services of a Veterans Benefits Administration (VBA) Benefits Assistance Service employee who is assisting OGC with its accreditation program. Also, VBA's Veterans Relationship Management Program is working to develop a system for prospective representatives to electronically submit applications for accreditation and for accredited individuals to electronically submit certifications of good standing and verification of completion of training requirements. This would allow OGC to shift its resources to areas that would provide more benefit in ensuring

individuals are qualified to represent Veterans, i.e., shift resources from processing applications to reviewing applicants' qualifications, verifying accredited representatives' completion of training, and confirming the quality of their training.

- In order to strengthen continuing knowledge requirements for accreditation for attorneys and agents, OGC plans to annually audit the training certifications attorneys and agents must file with OGC to ensure timely and adequate submissions. OGC is currently in the process of reviewing all submitted annual certifications of good standing and continuing legal education (CLE) certifications. We have reduced the backlog of annual certifications of good standing and CLE certifications left to review to approximately 1 month. We plan to implement our new audit plan to ensure timely and adequate certifications submitted by attorneys and agents as soon as OGC eliminates its backlog of certifications of good standing and training, which we expect will occur by the end of 2013. In light of OGC's limited resources, we believe this new audit plan will sufficiently hold accredited attorneys and agents accountable in completing necessary CLE training on Veterans benefits law and procedures to maintain VA's accreditation.

With regard to Veterans Service Organization (VSO) representatives, VA plans to request and review training curricula for up to nine organizations every year to ensure that they provide adequate training for their representatives. OGC has sent letters to nine recognized VSOs requesting that the organizations submit for our review their training materials and information for their representatives. Thus far, we have received two responses from the VSOs. We plan to review these submissions and others as they are received in the coming months.

To the extent we receive complaints regarding the qualifications or competence of specific accredited attorneys, agents, or VSO representatives, we have procedures in place to initiate inquiries and proceedings to suspend or cancel their accreditation.

- OGC has revised information on its public accreditation website by adding information about how to report complaints to OGC regarding unlawful activities, misconduct, or incompetent representation by accredited individuals. We note that complaints could also include information regarding an accredited individual's suspension or disbarment by any court, bar, or Federal or State agency to which such individual was previously admitted to practice. We also added information clearly stating that assisting Veterans with their claims for VA benefits without being

accredited by VA is prohibited and that the charging of fees prior to an appeal is prohibited. Additional information states that VA accreditation is for the sole purpose of providing representation services to claimants before VA and does not imply that a representative is qualified to provide financial planning services or is otherwise endorsed by VA.

In fiscal year (FY) 2012, VBA's Pension and Fiduciary (P&F) Service, in partnership with OGC, created a fact sheet to inform Veterans, survivors, and family members about the issues involved in the GAO report. The fact sheet addresses, among other things, special monthly pension eligibility requirements, VA's accreditation program, and the fees that may be charged for representation in claims for VA benefits. P&F Service:

- Distributed the fact sheet to VSOs in September 2012.
- Shared the fact sheet with several private attorney groups that specialize in elder law, to include members of the Florida Bar Association.
- Posted the fact sheet on VA's Internet website at <http://benefits.va.gov/PENSION/Pensionprograminfo.pdf>

In FY2013, P&F Service produced a YouTube video, which provides a general overview of the pension program and information on special monthly pension benefits and "pension poachers." The video is available online at https://www.youtube.com/watch?v=3_U_Ki-QwB0.

In February 2013, the Federal Trade Commission (FTC) posted an article to its website alerting Veterans and family members about the practice of "Poaching Veterans' Pensions." The article provided information regarding individuals who encourage Veterans and survivors to transfer their assets to qualify for pension and the potential impact on entitlement to VA pension benefits and other Federal benefits. The article advised individuals who believed they may have been a victim of pension poaching to file a complaint with state law enforcement, regulatory agencies or the FTC. VBA distributed this information to the public via the VA Facebook page that same month.

In FY2014, P&F Service developed a new postcard and pamphlet for use during outreach events to educate the target audience about pension poaching. After approval, P&F Service will make these documents available to the public on VBA's internet site and distribute them to VSOs.

- VA currently requires that an applicant for accreditation as an attorney or claims agent provide OGC with self-certifying information regarding his or her background, including prior criminal acts, pending criminal charges,

and instances of professional misconduct. Because an applicant for VA accreditation may not be entirely forthcoming and truthful regarding matters that may call into question his or her fitness to practice before VA, we believe it would be beneficial for VA to independently verify or obtain certain background information.

OGC has obtained access to VBA's system to conduct background searches on all claims agent applicants and on attorney applicants as necessary. We are currently in the process of establishing a new routine use in the VA accreditation system of records to authorize OGC to use applicants' information to conduct background searches. We expect to publish in the Federal Register a notice of amendment to our accreditation system of records on December 20, 2013, with a 30-day comment period. If we do not receive any public comments, the amendments will be effective 30 days after the date of publication of the Federal Register notice, and we will begin to conduct background searches from that date. We believe conducting background searches on applicants for accreditation will assist us in ensuring that claimants for VA benefits have responsible, qualified representation before the Department.

BUDGET IMPLICATIONS: None

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High-Risk Areas Identified by GAO

The U.S. Government Accountability Office (GAO) evaluates VA's programs and operations. In February 2013, GAO issued an update to its High-Risk Series (GAO-13-283). The GAO-identified High-Risk Areas (specific to VA as well as Governmentwide) are shown in the table below.

High-Risk Area		Estimated Resolution Timeframe (Fiscal Year)	Page # (in PAR)
No.	Description		
GAO 1	Improving and Modernizing Federal Disability Programs	2016	II-115
GAO 2	Strategic Human Capital Management: A Government-wide High-Risk Area	2015	II-118
GAO 3	Managing Federal Real Property: A Government-wide High-Risk Area	2013	II-119
GAO 4	Protecting the Federal Government's Information Systems and the Nation's Cyber Critical Infrastructures	2014	II-120
	Appendix		II-122

The Department's responses were published in its 2013 Performance and Accountability Report (PAR) published in December 2013. In the PAR, for each High-Risk Area (HRA), the Department provided the following:

- *Estimated resolution timeframe (fiscal year)* for VA to eliminate each HRA
- *Responsible Agency Official* for each HRA
- *Completed 2013 milestones* in response to the HRA
- *Planned 2014 milestones* along with *estimated completion quarter*

The PAR is available online at: <http://www.va.gov/budget/report/>.

The GAO High-Risk section of the PAR can be accessed on page II-114 at the following link: http://www.va.gov/budget/docs/report/2013-VAPAR_Part_II.pdf.

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Major Management Challenges Identified by the OIG

The Department's Office of Inspector General (OIG), an independent entity, evaluates VA's programs and operations. The OIG submitted the following update of the most serious management challenges facing VA. This update was incorporated within the Department's 2013 Performance and Accountability Report (PAR) published in December 2013.

The Department reviewed the OIG's report and provided responses specific to each identified challenge. These responses, provided in the PAR, include the following for each Major Management Challenge (MMC):

- *Estimated resolution timeframe (fiscal year)* to resolve the challenge
- *Responsible Agency Official* for each challenge area
- *Completed 2013 milestones* in response to the challenges identified by the OIG

The PAR is available online at: www.va.gov/budget/report.

The MMC section of the PAR can be accessed on page II-77 at the following link: http://www.va.gov/budget/docs/report/2013-VAPAR_Part_II.pdf.

The table below lists the OIG-identified MMCs for 2013.

Major Management Challenge		Estimated Resolution Timeframe (Fiscal Year)	Page # (in PAR)
No.	Description		
OIG 1	Health Care Delivery		II-79
1A	Quality of Care	2014	II-79
1B	Access to Care	2014	II-81
1C	Accountability of Prosthetic Supplies in VHA Medical Facilities	2014	II-84
OIG 2	Benefits Processing		II-85
2A	Improving the Quality of Claims Decisions	2015	II-86
2B	VA Regional Office Operations	2015	II-87

Major Management Challenge		Estimated Resolution Timeframe (Fiscal Year)	Page # (in PAR)
No.	Description		
2C	Improving the Management of VBA's Fiduciary Program	2014	II-88
OIG 3	Financial Management		II-89
3A	Lack of Accountability and Control over Conference Costs	2014	II-90
3B	Strengthen Financial Controls over the Beneficiary Travel Program	2014	II-91
3C	Improve Compliance with the Improper Payments Elimination and Recovery Act, Reduce Improper Payments, and Weaknesses in non-VA Fee Care Program	2014	II-93
OIG 4	Procurement Practices		II-94
4A	VA can Achieve Significant Procurement Savings	2014	II-94
4B	Improve Oversight of Interagency Agreements	2014	II-95
4C	Sound IT Procurement Practices	2014	II-97
OIG 5	Information Management		II-98
5A	Development of an Effective Information Security Program and System Security Controls	2014	II-99
5B	Interconnections with University Affiliates	2014	II-102
5C	Strategic Management of Office of Information Technology Human Capital	2014	II-103
5D	Effective Oversight of Active IT Investment Programs and Projects	2014	II-104
	Appendix		II-109

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Expenditures by States

<i>Amounts Included in FY 2015 President's Budget</i>			
(dollars in thousands)			
	2013	2014	2015
	Actuals	Estimates	Estimates
Alabama			
Compensation and pensions	1,580,861	1,782,420	1,879,562
Readjustment benefits	189,414	213,564	225,203
General operating expenses	33,885	38,205	40,287
Medical and construction programs	851,832	960,441	1,012,785
Insurance and indemnities	29,857	33,664	35,499
Total	\$2,685,848	\$3,028,294	\$3,193,336
Alaska			
Compensation and pensions	211,260	238,196	251,177
Readjustment benefits	61,850	69,736	73,536
General operating expenses	6,686	7,539	7,950
Medical and construction programs	218,251	246,078	259,489
Insurance and indemnities	3,441	3,879	4,091
Total	\$501,487	\$565,427	\$596,243
Arizona			
Compensation and pensions	1,409,346	1,589,038	1,675,641
Readjustment benefits	343,820	387,657	408,784
General operating expenses	108,885	122,768	129,459
Medical and construction programs	1,155,755	1,303,114	1,374,133
Insurance and indemnities	36,145	40,754	42,975
Total	\$3,053,952	\$3,443,331	\$3,630,992
Arkansas			
Compensation and pensions	924,671	1,042,566	1,099,386
Readjustment benefits	79,063	89,143	94,002
General operating expenses	31,331	35,326	37,252
Medical and construction programs	840,736	947,930	999,592
Insurance and indemnities	13,484	15,204	16,032
Total	\$1,889,285	\$2,130,169	\$2,246,263
California			
Compensation and pensions	59,397,860	66,971,087	70,621,011
Readjustment benefits	1,599,760	1,803,730	1,902,033
General operating expenses	192,392	216,922	228,745
Medical and construction programs	5,079,232	5,726,834	6,038,947
Insurance and indemnities	162,956	183,732	193,746
Total	\$12,432,201	\$74,902,306	\$78,984,482

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
Colorado			
Compensation and pensions	1,212,143	1,366,691	1,441,176
Readjustment benefits	324,347	365,702	385,632
General operating expenses	62,854	70,868	74,731
Medical and construction programs	2,396,495	2,702,049	2,849,310
Insurance and indemnities	32,483	36,625	38,621
Total	\$4,028,323	\$4,541,935	\$4,789,470
Connecticut			
Compensation and pensions	365,638	412,257	434,725
Readjustment benefits	96,416	108,709	114,633
General operating expenses	13,794	15,553	16,401
Medical and construction programs	563,147	634,948	669,553
Insurance and indemnities	24,195	27,280	28,767
Total	\$1,063,190	\$1,198,746	\$1,264,078
Delaware			
Compensation and pensions	169,963	191,634	202,078
Readjustment benefits	34,331	38,708	40,818
General operating expenses	3,895	4,392	4,631
Medical and construction programs	191,525	215,945	227,714
Insurance and indemnities	5,595	6,308	6,652
Total	\$405,309	\$456,986	\$481,892
District of Columbia			
Compensation and pensions	78,699	88,733	93,569
Readjustment benefits	31,054	35,013	36,922
General operating expenses	1,825,604	2,058,369	2,170,550
Medical and construction programs	2,107,107	2,375,764	2,505,243
Insurance and indemnities	3,785	4,268	4,501
Total	\$4,045,250	\$4,562,147	\$4,810,784
Florida			
Compensation and pensions	4,728,273	5,331,127	5,621,674
Readjustment benefits	892,555	1,006,355	1,061,202
General operating expenses	146,088	164,714	173,691
Medical and construction programs	4,037,008	4,551,727	4,799,796
Insurance and indemnities	139,645	157,449	166,030
Total	\$9,943,568	\$11,211,373	\$11,822,393
Georgia			
Compensation and pensions	2,482,164	2,798,640	2,951,166
Readjustment benefits	453,034	510,796	538,634
General operating expenses	109,242	123,171	129,883
Medical and construction programs	1,422,556	1,603,932	1,691,346
Insurance and indemnities	48,822	55,047	58,047
Total	\$4,515,819	\$5,091,586	\$5,369,077

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
Hawaii			
Compensation and pensions	337,919	381,003	401,768
Readjustment benefits	142,729	160,927	169,697
General operating expenses	16,013	18,055	19,039
Medical and construction programs	251,587	283,664	299,124
Insurance and indemnities	13,109	14,781	15,586
Total	\$761,357	\$858,430	\$905,215
Idaho			
Compensation and pensions	334,504	377,154	397,708
Readjustment benefits	51,513	58,081	61,246
General operating expenses	7,807	8,802	9,282
Medical and construction programs	222,015	250,322	263,965
Insurance and indemnities	8,006	9,026	9,518
Total	\$623,845	\$703,385	\$741,719
Illinois			
Compensation and pensions	1,450,236	1,635,141	1,724,256
Readjustment benefits	311,330	351,025	370,156
General operating expenses	51,835	58,444	61,630
Medical and construction programs	2,082,342	2,347,840	2,475,798
Insurance and indemnities	65,139	73,444	77,447
Total	\$3,960,882	\$4,465,895	\$4,709,286
Indiana			
Compensation and pensions	1,092,855	1,232,194	1,299,348
Readjustment benefits	150,033	169,162	178,382
General operating expenses	48,931	55,170	58,177
Medical and construction programs	813,559	917,288	967,280
Insurance and indemnities	27,941	31,503	33,220
Total	\$2,133,319	\$2,405,317	\$2,536,407
Iowa			
Compensation and pensions	505,601	570,065	601,134
Readjustment benefits	74,079	83,524	88,077
General operating expenses	10,585	11,934	12,584
Medical and construction programs	539,857	608,688	641,862
Insurance and indemnities	18,891	21,300	22,460
Total	\$1,149,013	\$1,295,512	\$1,366,117
Kansas			
Compensation and pensions	529,023	596,474	628,981
Readjustment benefits	103,950	117,204	123,591
General operating expenses	27,158	30,621	32,290
Medical and construction programs	566,300	638,503	673,301
Insurance and indemnities	17,340	19,551	20,616
Total	\$1,243,771	\$1,402,352	\$1,478,780

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
Kentucky			
Compensation and pensions	1,087,772	1,226,463	1,293,305
Readjustment benefits	139,199	156,947	165,501
General operating expenses	37,983	42,826	45,160
Medical and construction programs	661,420	745,751	786,394
Insurance and indemnities	18,871	21,277	22,437
Total	\$1,945,245	\$2,193,264	\$2,312,797
Louisiana			
Compensation and pensions	1,016,206	1,145,772	1,208,216
Readjustment benefits	120,767	136,165	143,586
General operating expenses	26,501	29,880	31,509
Medical and construction programs	1,015,479	1,144,953	1,207,353
Insurance and indemnities	19,941	22,484	23,709
Total	\$2,198,895	\$2,479,254	\$2,614,373
Maine			
Compensation and pensions	467,398	526,991	555,712
Readjustment benefits	42,577	48,005	50,622
General operating expenses	18,277	20,607	21,730
Medical and construction programs	273,584	308,466	325,278
Insurance and indemnities	9,459	10,665	11,246
Total	\$811,295	\$914,735	\$964,588
Maryland			
Compensation and pensions	1,047,226	1,180,748	1,245,098
Readjustment benefits	333,943	376,520	397,041
General operating expenses	24,725	27,877	29,397
Medical and construction programs	634,850	715,793	754,804
Insurance and indemnities	42,512	47,933	50,545
Total	\$2,083,256	\$2,348,871	\$2,476,885
Massachusetts			
Compensation and pensions	985,894	1,111,595	1,172,177
Readjustment benefits	192,975	217,579	229,437
General operating expenses	32,546	36,695	38,695
Medical and construction programs	1,131,075	1,275,287	1,344,791
Insurance and indemnities	41,235	46,492	49,026
Total	\$2,383,724	\$2,687,649	\$2,834,126
Michigan			
Compensation and pensions	1,675,388	1,889,000	1,991,951
Readjustment benefits	208,565	235,157	247,973
General operating expenses	51,291	57,830	60,982
Medical and construction programs	1,370,029	1,544,707	1,628,894
Insurance and indemnities	43,961	49,566	52,268
Total	\$3,349,234	\$3,776,261	\$3,982,068

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013 Actuals	2014 Estimates	2015 Estimates
Minnesota			
Compensation and pensions	986,609	1,112,402	1,173,028
Readjustment benefits	133,629	150,666	158,878
General operating expenses	82,027	92,485	97,525
Medical and construction programs	1,054,438	1,188,878	1,253,672
Insurance and indemnities	33,370	37,625	39,675
Total	\$2,290,072	\$2,582,056	\$2,722,778
Mississippi			
Compensation and pensions	666,715	751,722	792,690
Readjustment benefits	88,010	99,232	104,640
General operating expenses	29,313	33,050	34,851
Medical and construction programs	780,392	879,892	927,846
Insurance and indemnities	13,394	15,102	15,925
Total	\$1,577,824	\$1,778,996	\$1,875,951
Missouri			
Compensation and pensions	1,386,280	1,563,031	1,648,216
Readjustment benefits	189,473	213,631	225,273
General operating expenses	146,126	164,757	173,736
Medical and construction programs	1,280,136	1,443,353	1,522,016
Insurance and indemnities	32,796	36,977	38,993
Total	\$3,034,810	\$3,421,749	\$3,608,234
Montana			
Compensation and pensions	290,869	327,955	345,829
Readjustment benefits	38,237	43,112	45,462
General operating expenses	7,765	8,755	9,232
Medical and construction programs	232,987	262,692	277,009
Insurance and indemnities	7,072	7,973	8,408
Total	\$576,929	\$650,488	\$685,939
Nebraska			
Compensation and pensions	487,975	550,191	580,177
Readjustment benefits	63,597	71,705	75,613
General operating expenses	36,470	41,120	43,361
Medical and construction programs	425,192	479,404	505,532
Insurance and indemnities	12,589	14,194	14,967
Total	\$1,025,822	\$1,156,615	\$1,219,650
Nevada			
Compensation and pensions	641,969	723,820	763,268
Readjustment benefits	95,562	107,746	113,618
General operating expenses	13,505	15,227	16,057
Medical and construction programs	742,475	837,140	882,764
Insurance and indemnities	14,516	16,366	17,258
Total	\$1,508,026	\$1,700,299	\$1,792,966

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
New Hampshire			
Compensation and pensions	268,735	302,999	319,512
Readjustment benefits	50,861	57,345	60,471
General operating expenses	6,142	6,926	7,303
Medical and construction programs	151,888	171,254	180,587
Insurance and indemnities	8,473	9,553	10,074
Total	\$486,099	\$548,077	\$577,947
New Jersey			
Compensation and pensions	906,744	1,022,354	1,078,072
Readjustment benefits	196,113	221,117	233,168
General operating expenses	15,868	17,891	18,866
Medical and construction programs	546,816	616,535	650,136
Insurance and indemnities	51,994	58,624	61,819
Total	\$1,717,535	\$1,936,521	\$2,042,061
New Mexico			
Compensation and pensions	686,222	773,715	815,883
Readjustment benefits	67,315	75,898	80,035
General operating expenses	12,586	14,191	14,964
Medical and construction programs	473,064	533,380	562,449
Insurance and indemnities	12,750	14,376	15,159
Total	\$1,251,937	\$1,411,559	\$1,488,489
New York			
Compensation and pensions	2,063,566	2,326,670	2,453,474
Readjustment benefits	493,102	555,973	586,273
General operating expenses	120,558	135,929	143,337
Medical and construction programs	2,780,296	3,134,783	3,305,629
Insurance and indemnities	94,116	106,116	111,899
Total	\$5,551,637	\$6,259,471	\$6,600,612
North Carolina			
Compensation and pensions	2,712,319	3,058,140	3,224,809
Readjustment benefits	399,186	450,083	474,612
General operating expenses	91,538	103,209	108,834
Medical and construction programs	1,663,812	1,875,949	1,978,188
Insurance and indemnities	53,714	60,563	63,864
Total	\$4,920,570	\$5,547,943	\$5,850,306
North Dakota			
Compensation and pensions	149,596	168,669	177,861
Readjustment benefits	22,770	25,673	27,072
General operating expenses	6,479	7,305	7,703
Medical and construction programs	207,628	234,101	246,859
Insurance and indemnities	3,770	4,251	4,483
Total	\$390,242	\$439,998	\$463,978

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
Ohio			
Compensation and pensions	1,837,567	2,071,856	2,184,773
Readjustment benefits	296,446	334,243	352,459
General operating expenses	2,202,389	2,483,194	2,618,528
Medical and construction programs	2,277,899	2,568,331	2,708,305
Insurance and indemnities	59,096	66,631	70,262
Total	\$6,673,397	\$7,524,255	\$7,934,327
Oklahoma			
Compensation and pensions	1,544,376	1,741,284	1,836,184
Readjustment benefits	131,030	147,736	155,788
General operating expenses	121,588	137,091	144,562
Medical and construction programs	709,131	799,545	843,120
Insurance and indemnities	19,958	22,503	23,729
Total	\$2,526,083	\$2,848,158	\$3,003,383
Oregon			
Compensation and pensions	1,100,287	1,240,573	1,308,184
Readjustment benefits	128,169	144,511	152,386
General operating expenses	35,298	39,799	41,968
Medical and construction programs	1,041,711	1,174,530	1,238,541
Insurance and indemnities	23,228	26,190	27,617
Total	\$2,328,693	\$2,625,601	\$2,768,697
Pennsylvania			
Compensation and pensions	2,029,589	2,288,361	2,413,077
Readjustment benefits	359,065	404,846	426,910
General operating expenses	158,258	178,436	188,161
Medical and construction programs	2,175,451	2,452,821	2,586,500
Insurance and indemnities	82,386	92,890	97,952
Total	\$4,804,748	\$5,417,354	\$5,712,599
Puerto Rico			
Compensation and pensions	697,879	786,858	829,742
Readjustment benefits	46,541	52,475	55,335
General operating expenses	19,912	22,451	23,675
Medical and construction programs	555,575	626,410	660,550
Insurance and indemnities	2,496	2,814	2,967
Total	\$1,322,402	\$1,491,009	\$1,572,269
Rhode Island			
Compensation and pensions	193,988	218,721	230,642
Readjustment benefits	35,525	40,054	42,237
General operating expenses	19,476	21,959	23,155
Medical and construction programs	272,228	306,937	323,665
Insurance and indemnities	5,928	6,684	7,048
Total	\$527,144	\$594,355	\$626,747

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
South Carolina			
Compensation and pensions	1,557,784	1,756,402	1,852,126
Readjustment benefits	223,348	251,825	265,549
General operating expenses	63,246	71,310	75,197
Medical and construction programs	842,065	949,428	1,001,172
Insurance and indemnities	28,310	31,920	33,660
Total	\$2,714,753	\$3,060,885	\$3,227,703
South Dakota			
Compensation and pensions	209,347	236,039	248,903
Readjustment benefits	30,364	34,235	36,101
General operating expenses	10,392	11,716	12,355
Medical and construction programs	379,828	428,257	451,597
Insurance and indemnities	5,461	6,158	6,493
Total	\$635,393	\$716,405	\$755,449
Tennessee			
Compensation and pensions	1,652,616	1,863,325	1,964,876
Readjustment benefits	236,754	266,941	281,489
General operating expenses	63,014	71,048	74,920
Medical and construction programs	1,552,142	1,750,040	1,845,418
Insurance and indemnities	33,644	37,933	40,001
Total	\$3,538,170	\$3,989,287	\$4,206,703
Texas			
Compensation and pensions	6,091,910	6,867,069	7,241,325
Readjustment benefits	1,118,114	1,260,450	1,329,144
General operating expenses	220,626	248,712	262,267
Medical and construction programs	3,693,437	4,163,611	4,390,528
Insurance and indemnities	110,750	124,848	131,652
Total	\$11,234,837	\$12,664,691	\$13,354,916
Utah			
Compensation and pensions	350,923	395,491	417,045
Readjustment benefits	85,974	96,892	102,173
General operating expenses	53,145	59,894	63,158
Medical and construction programs	433,185	488,200	514,807
Insurance and indemnities	10,033	11,307	11,923
Total	\$933,260	\$1,051,784	\$1,109,106
Vermont			
Compensation and pensions	118,286	133,308	140,573
Readjustment benefits	20,296	22,873	24,120
General operating expenses	3,992	4,499	4,744
Medical and construction programs	183,557	206,869	218,143
Insurance and indemnities	3,340	3,764	3,969
Total	\$329,470	\$371,312	\$391,549

Amounts Included in FY 2015 President's Budget

(dollars in thousands)

	2013	2014	2015
	Actuals	Estimates	Estimates
Virginia			
Compensation and pensions	2,291,200	2,582,182	2,722,911
Readjustment benefits	874,229	985,256	1,038,953
General operating expenses	61,129	68,893	72,647
Medical and construction programs	1,148,574	1,294,443	1,364,990
Insurance and indemnities	60,779	68,498	72,231
Total	\$4,435,911	\$4,999,272	\$5,271,732
Washington			
Compensation and pensions	1,788,537	2,015,682	2,125,536
Readjustment benefits	343,793	387,455	408,571
General operating expenses	67,749	76,354	80,515
Medical and construction programs	1,064,236	1,199,394	1,264,761
Insurance and indemnities	41,915	47,239	49,813
Total	\$3,306,232	\$3,726,123	\$3,929,197
West Virginia			
Compensation and pensions	625,689	705,152	743,583
Readjustment benefits	44,341	49,973	52,696
General operating expenses	261,560	294,778	310,843
Medical and construction programs	867,127	977,252	1,030,512
Insurance and indemnities	9,871	11,124	11,731
Total	\$1,808,588	\$2,038,279	\$2,149,365
Wisconsin			
Compensation and pensions	972,511	1,096,020	1,155,523
Readjustment benefits	133,679	150,656	158,792
General operating expenses	69,991	78,880	83,140
Medical and construction programs	1,125,130	1,268,021	1,336,495
Insurance and indemnities	34,398	38,767	40,860
Total	\$2,335,709	\$2,632,345	\$2,774,809
Wyoming			
Compensation and pensions	127,557	143,756	151,591
Readjustment benefits	15,751	17,751	18,719
General operating expenses	1,456	1,640	1,730
Medical and construction programs	228,694	257,738	271,785
Insurance and indemnities	3,131	3,529	3,721
Total	\$376,588	\$424,415	\$447,546
Guam			
Compensation and pensions	46,193	52,060	54,897
Readjustment benefits	10,629	11,979	12,632
General operating expenses	0	0	0
Medical and construction programs	9,012	10,157	10,710
Insurance and indemnities	495	558	588
Total	\$66,330	\$74,754	\$78,828

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Appropriation Structure

Appropriations and funds are listed below with a brief description of the scope of the account:

Medical Programs

Appropriations

MEDICAL CARE PROGRAMS: Provides for a comprehensive, integrated health care delivery system that addresses the needs of the Nation's veterans by financing the operation, maintenance, and administration from the following accounts that are required to address the health care needs of eligible veterans.

MEDICAL SERVICES: Provides for a comprehensive, integrated health care delivery system that addresses the needs of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the Civilian Health and Medical Programs for the Department of Veterans Affairs (CHAMPVA). This is an annual, multi-year, and no-year account.

MEDICAL SUPPORT AND COMPLIANCE: Provides for the management, security, and administration of the VA health care system through the operation of VA medical centers, other facilities, Veterans Integrated Service Networks offices and facility director offices, chief of staff operations, quality of care oversight, legal services, billing and coding activities, procurement, financial management, and human resource management. This is an annual, multi-year, and no-year account.

MEDICAL FACILITIES: Provides for the operations and maintenance of the VA health care system's vast capital infrastructure required to provide health care to the Nation's veterans. These costs include utilities, engineering, capital planning, leases, laundry services, grounds maintenance, trash removal, housekeeping, fire protection, pest management, facility repair, and property disposition and acquisition. This is an annual, multi-year, and no-year account.

DOD VA HEALTH CARE SHARING INCENTIVE FUND: Provides a minimum of \$15,000,000 annually from each Department for a joint incentive program to enable the Departments to carry out a program to identify and provide incentives to implement creative sharing initiatives at the facility, intra-regional, and nationwide levels. Section 8111(d) of title 38, United States Code requires each Secretary to contribute a minimum of \$15,000,000 from the funds appropriated to the Secretary's Department fund and to establish the fund effective October 1, 2003. P. L. 111-84, The National Defense Authorization Act for Fiscal Year 2010, section 1706, amended section 8111(d)(3) of title 38, United States Code, to extend the program's authorization to September 30, 2015. This is a no-year account.

JOINT DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY DEMONSTRATION FUND: Combines the resources of the Department of Defense (DoD) and the Department of Veterans Affairs (VA) to operate the first totally integrated federal health care facility in the country. The Captain James A. Lovell Federal Health Care Center located in North Chicago, Illinois, will care for all eligible VA and DoD beneficiaries. This center is the integration of the North Chicago VA Medical Center and the Navy Health Clinic Great Lakes. Each department will contribute funding to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund established by section 1704 of Public Law 111-84, the National Defense Authorization Act for Fiscal Year 2010.

The VA's budget request includes funding to be provided to the Medical Services, Medical Support and Compliance, Medical Facilities, and Information Technology Systems appropriations and transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund. This is an annual and multi-year account.

MEDICAL AND PROSTHETIC RESEARCH: Supports research that facilitates and improves the primary function of VHA, which is to provide high-quality and cost-effective medical care to eligible Veterans and contribute to the Nation's knowledge about disease and disability. This is a multi-year appropriation and no-year appropriation.

Special Funds

MEDICAL CARE COLLECTIONS FUND: Provides medical collections that are used for specified purposes to support the health care for eligible veterans. Public Law 105-33, the Balanced Budget Act of 1997, established the Department of Veterans Affairs Medical Care Collections Fund (MCCF). It required that amounts collected or recovered after June 30, 1997, be deposited in the MCCF. The amounts collected in the fund are available only for: 1) VA

medical care and services during any fiscal year; and 2) VA expenses for identifying, billing, auditing, and collecting amounts owed to the government. VA has the authority to collect inpatient, outpatient, medication, and nursing home co-payments; authority for certain income verification; authority to recover third-party insurance payments from veterans for non-service connected conditions; and authority to collect revenue from enhanced use leases. Public Law 108-7, the Consolidated Appropriations Resolution, 2003, granted permanent authority to recover pharmacy co-payments for outpatient medication. VA's authority to do income verification with the Social Security Administration and Internal Revenue Service in title 38, section 5317(g) was extended through September 30, 2016, by section 264 of Public Law 112-56, to amend the Internal Revenue Code of 1986. Public Law 112-154, the Honoring America's Veterans and Caring for Camp Lejuene Families Act of 2012, section 112, extended the authority, in title 38, section 1729(a)(2)(E) to recover third-party insurance payments from service-connected veterans for nonservice-connected conditions through October 1, 2013. Public Law 112-154, the Honoring America's Veterans and Caring for Camp Lejuene Families Act of 2012, section 113, extended the authority in title 38, section 1710(f)(2)(B), to collect copayments for hospital care and nursing home care through September 30, 2013. Public Law 108-199, the Consolidated Appropriations Act, 2004, and P.L. 108-447, the Consolidated Appropriations Act, 2005, require revenue from the following accounts to be deposited into the MCCF beginning in FY 2004:

Long-Term Care Co-Payments (Formerly Veterans Extended Care Revolving Fund): This account was established by Public Law 106-117, the Veterans Millennium Health Care and Benefits Act. This account receives per diems and co-payments from certain patients receiving extended care services as authorized in title 38, U.S.C., § 1701B. Amounts deposited in the account are used to provide extended care services.

Compensated Work Therapy Program (formerly Special Therapeutic and Rehabilitation Activities Fund): This program, established pursuant to the Veterans Omnibus Health Care Act of 1976, Public Law 94-581, approved October 21, 1976, provides a mechanism for furnishing rehabilitative services to certain Veteran beneficiaries receiving medical care and treatment from VA. Funds to operate the various rehabilitative activities and to provide therapeutic work for remuneration to patients and members in VA facilities are derived from contractual arrangements with private industry, non-profit organizations, and State and Federal entities. This is a self-sustaining activity that does not require an appropriation.

Compensation and Pensions Living Expenses Program (formerly Medical Facilities Revolving Fund): This program provides for operating expenses of VA medical facilities furnishing nursing home care to certain Veterans who receive Pensions. Title 38, U.S.C., provides that a Veteran with no spouse or child will receive \$90 per month in Pensions beginning the third full month following the month of admission to VA-furnished nursing home care. The difference between the \$90 the Veteran receives and the amount otherwise authorized is transferred to this fund to cover the expenses of the facility furnishing the nursing home care. Public Law 105-368, Veterans Programs Enhancement Act of 1998, granted permanent authority for the transfer of Pensions funds in excess of \$90 per month from the Compensation and Pensions account, in accordance with the provisions of title 38, U.S.C. § 5503(a)(1)(B). This authority was retroactive as of October 1, 1997.

Parking Program (formerly Parking Revolving Fund): VA collects parking fees for the use of parking facilities at VA facilities.

Other Revolving Funds

MEDICAL CENTER RESEARCH ORGANIZATIONS: The Veterans' Benefits and Services Act of 1988, P.L. 100-322 authorized VA Research and Education Corporations to provide a mechanism whereby non-VA funds may be received and administered to perform research by a nonprofit corporation at any VA medical center.

CANTEEN SERVICE REVOLVING FUND: This fund finances the operation of canteens at all medical facilities. These activities are under the management of the Veterans Canteen Service, established by Congress in 1946. Income from sales makes this a self-sustaining activity.

Other Trust Funds

GENERAL POST FUND: This trust fund consists of gifts, bequests, and proceeds from the sale of property left in the care of VA facilities by former beneficiaries who die leaving no heirs or without having otherwise disposed of their estates. Such funds are used to promote the comfort and welfare of Veterans in hospitals and other facilities where no general appropriation is available for this purpose. In addition, donations from pharmaceutical companies, non-profit corporations, and individuals to support VA medical research are deposited in this fund.

Benefits Programs

Appropriations

COMPENSATION AND PENSIONS: Provides for compensation payments to service-connected disabled Veterans and their survivors; provides for pension payments, subject to an income standard, to war-time Veterans who are permanently and totally disabled from non-service-connected causes and their survivors; and provides burial and other benefits to Veterans and their survivors.

READJUSTMENT BENEFITS: Provides payments for education and training for eligible Veterans and dependents, as well as special assistance to disabled Veterans. Funding provided for this program consists of direct appropriations to this VA account, as well as offsetting collections received from the Department of Defense.

VETERANS INSURANCE AND INDEMNITIES: Provides payment for extra hazard costs to the National Service Life Insurance and United States Government Life Insurance funds, supplements the Service-Disabled Veterans Insurance Fund, and provides direct payment to policyholders. It also provides funds for expenses of the Veterans Mortgage Life Insurance Program.

Special Funds

FILIPINO VETERANS EQUITY COMPENSATION FUND: Provides one-time payments to eligible persons who served in the Philippines during World War II.

Trust Funds

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT: Funding for this account consists primarily of voluntary contributions by eligible servicepersons and Department of Defense matching contributions on behalf of specific servicepersons. The account serves as a depository and disbursing account for the contributory-matching education program which provides educational assistance payments to participants who entered the service between January 1, 1977 and June 30, 1985, and are pursuing training under chapter 32 (38 U. S. C.). Public Law 99-576, enacted October 28, 1986, permanently closed the program to new enrollees after March 31, 1987. Subsequently, the enactment of Public Law 101-510 allows servicepersons enrolled or eligible to enroll in the program who are involuntarily separated from the service on or after February 3, 1991, an opportunity to receive assistance under the Montgomery GI Bill (MGIB) program in lieu of Post-

Vietnam Era Veterans Education Program (VEAP). Public Law 102-484 extended the same opportunity to certain servicepersons who voluntarily separated from the military on or after December 5, 1991. An opportunity to enroll in the MGIB program also was extended to Chapter 32 (and section 903) servicepersons, who were VEAP participants on October 9, 1996, under Public Law 104-275.

Revolving Funds

VOCATIONAL REHABILITATION PROGRAM FUND: Loans (advances) will be made to disabled Veterans eligible for vocational rehabilitation who are without sufficient funds to meet their expenses. Under the Federal Credit Reform Act of 1990, this fund now receives a direct appropriation for its administrative expenses, which it reimburses directly to the General Operating Expenses appropriation. Subsidy budget authority is provided for costs associated with loans obligated in 1992 and beyond.

VETERANS HOUSING BENEFIT PROGRAM FUND: The Veterans Housing Benefit Program Fund (VHBPF) reflects the loan financing activity in the Direct Loan Financing Account, Guaranteed Loan Financing Account, the Loan Sales Securities Guaranteed Loan Financing Account, and the Transitional Housing Direct Loan Financing Account. All direct and guaranteed loans made prior to September 30, 1991, are scored in the VHBPF Liquidating Account. Under the Federal Credit Reform Act of 1990, all direct and guaranteed loans made after September 30, 1991, are financed by subsidy appropriations to the VHBPF Program Account. This account also receives an appropriation for administrative expenses. The principal objective of the loan guaranty program is to encourage and facilitate the extension of favorable credit terms by private lenders to Veterans for the purchase, construction, or improvement of homes to be occupied by Veterans and their families.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM: This program was established in the Veterans Benefits Improvement Act of 1998, Public Law 105-368. The program is a pilot project designed to expand the supply of transitional housing for homeless Veterans by authorizing the Secretary to guarantee loans for self-sustaining housing projects specifically designed to create long-term transitional housing for homeless Veterans. VA may guarantee up to 15 loans with a maximum aggregate value of \$100 million. The project must enforce sobriety standards and provide a wide range of supportive services such as counseling for substance abuse and job readiness skills. Residents will be required to pay a reasonable fee. All funds authorized for this program were appropriated by

the end of 2000; therefore, no appropriation language has been included in this budget. The loan financing activity of this account is shown under the “Transitional Housing Direct Loan Financing Account” in the President’s budget.

NATIVE AMERICAN VETERANS HOUSING PROGRAM: This program was designed to test the feasibility of enabling VA to make direct home loans to Native American Veterans who live on U.S. trust lands. Annual appropriations are received for administrative expenses associated with this program. This program began as a pilot program in 1993 and was made permanent in 2006. The direct loan financing activity of this account is shown under the “Native American Direct Loan Financing Account” in the President’s budget.

SERVICEMEMBER'S GROUP LIFE INSURANCE FUND (SGLI): This fund was established in 1965 as the financing mechanism to provide Group Life Insurance to members of the uniformed forces on active duty and certain members of the Reserves. Premiums, including the cost of administration, are deducted monthly from the serviceperson's pay and remitted by each uniformed service to VA and, in turn, to the primary insurer. The Government contributes toward the military extra hazard cost by paying for all death claims over a certain maximum, as defined by law. Public Law 109-80 increased the maximum amount of coverage available to \$400,000, effective September 1, 2005. In addition, Public Law 109-13 provides for Traumatic Servicemember’s Group Life Insurance, effective December 1, 2005. This program provides for payment between \$25,000 and \$100,000 to any member of the uniformed services covered by SGLI who sustains a traumatic injury that results in certain serious losses.

Public Enterprise Funds

SERVICE-DISABLED VETERANS INSURANCE FUND: This program finances claim payments on non-participating policies issued to service-disabled Veterans who served in the Armed Forces after April 25, 1951. The program provides insurance coverage for service-disabled Veterans at standard rates. Claim payments exceed premium receipts each year. Funds are derived mainly from premiums and payments from the Veterans Insurance and Indemnities appropriation. Public Law 106-419 allowed for term premiums to be frozen, effective November 1, 2000, at the first renewal after the insured reaches age 70 and remain frozen thereafter.

VETERANS REOPENED INSURANCE FUND: This fund was established in 1965 as the financing mechanism for a program authorizing reopening of National Service Life Insurance for one year, for certain disabled Veterans of World War II and the Korean conflict. Operations are financed from premiums collected from policyholders and interest on investments.

Trust Funds

NATIONAL SERVICE LIFE INSURANCE FUND: Started in 1940 as the financing mechanism for World War II insurance. Closed to new issues in 1951. Income is derived from premiums, interest on investments, and transfers from Veterans Insurance and Indemnities appropriation.

UNITED STATES GOVERNMENT LIFE INSURANCE FUND: Started in 1919 as the financing mechanism for converted insurance issued under the War Risk Insurance Act of 1914, as amended. Closed to new issues April 1951. Income is derived from interest on investments and transfers from the Veterans Insurance and Indemnities appropriation.

VETERANS SPECIAL LIFE INSURANCE FUND: Finances the payment of claims for the insurance program authorized for insurable Veterans who served after April 1951 and before January 1, 1957. Income is derived mainly from premiums and interest on investments.

Departmental Administration

Appropriations

GENERAL OPERATING EXPENSES VETERANS BENEFITS ADMINISTRATION: For the management and administration of the Veterans Benefits Administration. While the program accounts associated with credit reform receive an appropriation directly for associated administrative expenses, collections from those appropriations to this account are reflected as obligations under the VBA General operating expenses account.

DEPARTMENTAL GENERAL ADMINISTRATION: Includes Departmental executive direction and management of VA's Staff Offices' function, including the Office of General Counsel and the Office of Acquisition, Logistics and Construction. VA's Staff Offices provide management direction and administrative support in the delivery of health care, benefits, and memorial services. While the program accounts associated with credit reform receive an appropriation directly for associated administrative expenses, collections from those appropriations to this account are reflected as obligations in this account.

BOARD OF VETERANS' APPEALS: NEW ACCOUNT PROPOSED IN THE 2015 BUDGET: A new appropriation account, separate from the General Administration account, is being requested for the Board of Veterans' Appeals (Board). Unlike offices within the General Administration account that provide oversight and management support, the Board provides direct service to Veterans and their families by conducting hearings and issuing decisions on appeals on behalf of the Secretary.

NATIONAL CEMETERY ADMINISTRATION: This appropriation provides funding for the administration of all functions associated with the National Cemetery Administration. Provides, upon request, for the interment in any national cemetery with available grave space the remains of eligible deceased service persons and discharged Veterans (together with their spouses and certain dependents).

OFFICE OF THE INSPECTOR GENERAL: Provides for carrying out the independent oversight responsibilities of the *Inspector General Act of 1978* by conducting audits, investigations, and inspections that promote economy and efficiency and identify and prevent fraud, waste, and criminal activity; and by informing the Secretary and Congress about problems, deficiencies, and recommended improvements in VA programs and activities.

INFORMATION TECHNOLOGY SYSTEMS ACCOUNT: Provides for the development and operational support of information technology and telecommunications systems of the Department. This account also receives reimbursements from the credit and insurance benefit programs, as well as other revolving funds. This account was established in 2005 under P.L. 109-114 in order to support the Department's reorganization and centralization of information technology activities. Development funding is authorized for two years; sustainment and payroll funds are authorized for one year with a small portion of each additionally authorized for two years.

CONSTRUCTION, MAJOR PROJECTS: For constructing, altering, extending, and improving any VA facility, including planning, assessments of needs, architectural and engineering services, and site acquisition, where the estimated cost of a project is more than \$10 million or where funds for a project were made available in a previous major project appropriation.

CONSTRUCTION, MINOR PROJECTS: For constructing, altering, extending and improving any VA facility, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is equal to or less than \$10 million.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES:

Grants to States for the purpose of assisting States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing hospitals, nursing homes, and domiciliary facilities in State homes to furnish care to Veterans. A grant may not exceed 65 percent of the total cost of the project. This account was approved on August 19, 1964, and authorized as an appropriation in 1965. Public Law 102-585 granted permanent authority for this program. Public Law 104-262 added Adult Day Health Care and another level of care that may be provided by State homes. This is a no-year account.

GRANTS FOR THE CONSTRUCTION OF VETERANS CEMETERIES: Grants to aid states, federally recognized tribal governments, or U.S. territories in establishing, expanding or improving Veterans' cemeteries controlled by the recipient. A grant can be up to 100 percent of the cost of establishment, expansion or improvement and may fund the initial cost of equipment when the cemetery is established. VA does not provide for acquisition of land. The value of the land cannot be considered as an "allowable cost" under the grant. Grant recipients are solely responsible for acquisition of the necessary land. Grant recipients may apply for additional grants to aid in the operation and maintenance of a cemetery but are otherwise responsible for all costs related to operations and maintenance, including the cost for subsequent equipment purchases.

Other Revolving Funds

PERSHING HALL REVOLVING FUND: Established by Public Law 102-86 for the operation and maintenance of Pershing Hall, an asset of the United States located in Paris, France. Receipts generated by the operation of Pershing Hall are deposited in the revolving fund. The Secretary may use up to \$100,000 per fiscal year from the revolving fund for activities determined to be in keeping with the VA mission.

NATIONAL CEMETERY GIFT FUND: Consists of gifts and bequests which are made for the purpose of beautifying national cemeteries or are made for the purpose of the operation, maintenance, or improvement of the National Memorial Cemetery of Arizona.

NATIONAL CEMETERY ADMINISTRATION FACILITIES OPERATION FUND: Consists of proceeds from the lease of land or buildings or from agricultural licensing of lands. The National Cemetery Administration uses the fund to cover the cost of the operations and maintenance of its property.

DEPARTMENT OF VETERANS AFFAIRS CAPITAL ASSET FUND: Provides for costs associated with the transfer and future transfers of real property, including costs of demolition, environmental remediation, maintenance and repair, improvements to facilitate the transfer, and administrative expenses. This account also finances costs associated with enhancing medical care services to Veterans by improving, renovating, replacing, updating, or establishing patient care facilities through construction projects. Additionally, costs associated with the transfer, lease, or adaptive use of a structure or property under the jurisdiction of the Secretary that is listed on the National Register of Historic Places will be financed in this account. Receipts to this account will be realized from the transfer of real property to another department or agency of the United States, to a State (or a political subdivision of a state), or to any public or private entity, including an Indian tribe in accordance with P. L. 108-422. This is a no-year revolving fund.

Intragovernmental Funds

SUPPLY REVOLVING FUND: Established in 1953, the Supply Fund is responsible for the operation and maintenance of a supply system for VA. Functioning as an intragovernmental fund, without fiscal year limitation, it seeks to assure the most timely, cost-effective acquisition of goods and services for VA programs. As a self-sustaining fund, the majority of its operating expenses are recovered through a mark-up on goods sold.

FRANCHISE FUND: The Franchise Fund has permanent authority under P.L. 109-114. Established in 1997 under P.L. 104-204, (P.L.103-356 extended it to October 2003), the Franchise Fund provides VA program offices with common administrative services and is financed on a fee-for-service basis.

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Department of Veterans Affairs Discretionary Programs Funding and Average Employment for 2013 - 2015 (dollars in thousands)														
	2013-Actuals (PY)			2014-Enacted (CY)			2015-Request (BY)			Change (BY - CY)		Percentage Change (BY - CY)/CY		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	BA	Outlay	FTE
Discretionary Programs														
Medical Programs- VHA														
Medical Services	44,032,452	42,382,283	45,152,410	46,139,024	45,152,410	47,553,597	48,229,282	47,553,597	2,315,664	3,107	1,960,609	4.54%	5.48%	1.55%
Medical Support & Compliance (formerly Administration)	41,145,390	39,670,398	42,247,972	43,220,370	42,247,972	44,563,636	45,180,979	44,563,636	-103,971	-1,289	-84,460	-1.75%	-1.44%	-2.56%
Medical Facilities	5,698,104	5,431,770	5,863,893	5,957,449	5,863,893	5,030,303	5,855,478	5,779,433	-218,813	0	-218,813	-4.44%	-5.27%	0.00%
Collections	2,887,062	2,711,985	2,918,654	2,918,654	2,904,438	0	3,048,303	2,899,961	129,649	85,523	0	4.44%	2.94%	0.67%
Total Medical care	55,140,494	53,219,342	267,930	57,022,543	55,924,184	273,304	58,790,017	57,982,218	1,767,474	2,058,034	1,818	3.10%	3.68%	0.67%
DoD-VVA Health Care Sharing Incentive Fund	30,000	35,006	165	30,000	80,000	219	30,000	30,000	0	-50,000	0	0.00%	-62.50%	0.00%
Joint DoD-VVA Medical Facility Demonstration Fund	378,156	350,467	2,016	405,333	417,143	2,136	416,295	431,603	10,962	14,460	\$32	0.00%	3.47%	0.00%
Medical research	581,905	536,142	3,445	585,664	575,579	3,491	588,922	578,816	3,258	3,237	0	0.56%	0.56%	0.00%
Subtotal VHA	56,130,555	54,240,357	273,556	58,043,540	56,996,906	279,118	59,825,234	59,022,637	1,781,694	2,025,731	1,850	3.07%	3.55%	0.66%
National Cemetery Administration- NCA														
Burial Administration	260,043	258,138	1,690	249,000	248,674	1,719	256,800	275,803	7,800	27,128	48	3.13%	10.91%	2.79%
Information Technology	3,514,979	3,217,999	7,362	3,696,555	3,613,517	7,459	3,896,555	3,829,613	200,000	216,096	-2	5.41%	5.98%	-0.03%
Construction														
Major														
Veterans Health Administration	734,120	649,103	752,179	215,130	752,179	655,382	547,800	655,382	332,670	-96,797	0	154.64%	-12.87%	0.00%
Veterans Benefits Administration	0	0	7	1,000	1,000	144	0	144	-1,000	137	0	-91.74%	-10.54%	0.00%
National Cemetery Administration	9,447	42,898	66,075	121,000	66,075	59,109	10,000	59,109	-111,000	-6,966	0	-20.00%	0.88%	0.00%
Staff Offices	5,000	6,304	5,230	5,000	5,230	5,276	4,000	5,276	-1,000	46	0	64.21%	-12.58%	0.00%
Subtotal Major Construction	738,767	698,505	0	342,130	823,491	0	561,800	719,911	219,670	-103,580	0	64.21%	-12.58%	0.00%
Minor														
Veterans Health Administration	506,332	386,901	331,080	541,879	331,080	453,196	379,000	453,196	-162,879	122,116	0	-30.06%	36.88%	0.00%
Veterans Benefits Administration	29,152	10,092	28,660	58,498	28,660	45,626	45,000	45,626	-13,498	16,966	0	-23.07%	59.20%	0.00%
National Cemetery Administration	57,884	35,468	51,802	89,426	51,802	72,128	60,000	72,128	-29,426	20,326	0	-32.91%	39.24%	0.00%
Staff Offices	13,360	9,697	17,686	25,067	17,686	19,330	11,200	19,330	-13,867	1,644	0	-55.32%	9.30%	0.00%
Subtotal Minor Construction	606,728	442,158	0	714,870	429,228	590,280	495,200	590,280	-219,670	161,052	0	-30.73%	37.52%	0.00%
Grants for State Extended Care Facilities	84,888	94,762	89,613	85,000	89,613	85,723	80,000	85,723	-5,000	-3,890	0	-5.88%	-4.34%	0.00%
Grants for State Cemeteries	45,939	55,072	54,697	46,000	54,697	54,254	45,000	54,254	-1,000	-443	0	-2.17%	-0.81%	0.00%
Total Construction	1,476,322	1,290,897	0	1,188,000	1,397,029	0	1,182,000	1,450,168	-6,000	53,139	0	-0.51%	3.80%	0.00%
Departmental Administration														
Veteran Benefits Administration	1,080	1,080	1,080	0	1,080	0	0	0	0	-1,080	0	-100.00%	-100.00%	0.00%
Filipino Veterans Equity Compensation Fund	1,528,946	1,523,548	13,753	1,737,926	1,569,766	13,753	1,751,782	1,685,520	13,856	115,754	0	0.80%	7.37%	0.00%
Subtotal Filipino ECF	228,632	217,997	2,341	226,341	221,514	2,341	3,980	224,805	3,980	3,291	0	1.76%	1.49%	0.00%
Veteran Administration- GOE	1,757,577	1,741,045	16,094	1,964,267	1,791,280	16,094	1,982,102	1,910,325	17,835	119,045	0	0.91%	6.65%	0.00%
Compensation Administration	216,541	208,471	2,204	191,458	191,516	1,904	198,263	193,257	6,805	1,741	0	3.55%	0.91%	0.00%
Pensions Administration (includes Burial)	186,563	179,958	1,499	309,031	280,810	1,591	313,113	304,041	4,082	23,231	0	1.32%	8.27%	0.00%
Subtotal Compensation and Pension	722	580	331	734	592	352	776	627	42	35	0	5.72%	5.91%	0.00%
Vocational Rehabilitation and Employment Insurance Administration	2,161,403	2,131,134	20,220	2,465,490	2,265,278	19,941	2,494,254	2,408,250	28,764	142,972	0	1.17%	6.31%	0.00%
Subtotal GOE, VBA without Credit Reform														

Department of Veterans Affairs Discretionary Programs Funding and Average Employment for 2013 - 2015 (dollars in thousands)														
	2013- Actuals (FY)			2014- Enacted (CY)			2015- Request (BY)			Change (BY - CY)		Percentage Change (BY - CY)/CY		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	BA	Outlay	FTE
General Administration														
Office of the Secretary	12,060	322,389	100	10,032	406,271	99	10,032	417,246	88	0	10,975	0	0	270%
General Counsel	83,099		692	80,365		703	80,365		682	0	0	-11	0	0.00%
AS for Management	47,113		271	44,098		292	44,098		308	0	0	-21	0	0.00%
AS for Human Resources & Administration	69,546		801	68,064		873	62,064		873	-6,000	0	16	0	0.00%
AS for Policy and Planning	27,715		108	25,009		114	25,009		143	0	0	29	0	0.00%
AS for Operations, Security & Preparedness	15,614		99	17,901		133	17,901		133	0	0	0	0	0.00%
AS for Public and Intergovernmental Affairs	23,037		92	22,279		90	22,279		90	0	0	0	0	0.00%
AS for Congressional and Legislative Affairs	6,177		45	5,969		45	5,969		45	0	0	-4	0	0.00%
Office of Acquisitions, Logistics, & Construction	53,810		377	53,874		441	53,874		480	0	0	39	0	0.00%
Rescission of Unobligated Balance				-2,000										
Subtotal General Administration	338,171	322,389	2,585	325,591	406,271	2,794	321,591	417,246	2,842	-4,000	10,975	48	-1.23%	2.70%
Pushing Hall revolving fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Board of Veterans Appeals	86,006		533	88,294		640	94,294		650	6,000	72,000	10	680	1.56%
Total General Administration	424,177	322,389	3,118	413,885	406,271	3,434	415,885	489,246	3,492	2,000	82,975	58	0.48%	20.42%
Office of Inspector General	114,848	117,788	633	121,411	114,041	673	121,411	116,235	663	0	2,194	-10	0.00%	1.92%
Total Office of Inspector General														
Credit Reform Administrative-VBA														
Native American loan administrative	1,068	1,068	7	1,089	1,089	7	1,110	1,110	7	21	21	0	1.93%	1.93%
Vocational rehabilitation loan program - admin	346	346	3	354	354	3	361	361	3	7	7	0	1.98%	1.98%
Veterans housing benefit program fund program	133,175	123,700	900	121,503	121,503	900	123,812	123,812	900	2,309	2,309	0	1.90%	1.90%
Subtotal VBA	133,588	127,113	910	122,946	122,946	910	125,283	125,283	910	2,337	2,337	0	1.90%	1.90%
Credit Reform Administrative-General Counsel														
Native American loan administrative	20	20	20	20	20	20	20	20	20	0	0	0	0.00%	0.00%
Transitional Housing for Homeless Veterans (Non-Add)	20	20	20	20	20	20	20	20	20	0	0	0	0.00%	0.00%
Veterans housing benefit program fund program	5,284	5,284	5,284	5,284	5,284	5,284	5,438	5,438	5,438	154	154	0	2.91%	2.91%
Subtotal General Counsel	5,304	5,304	0	5,304	5,304	0	5,458	5,458	0	154	154	0	2.90%	2.90%
Credit Reform Administrative-VHA														
Transitional Housing for Homeless Veterans (Non-Add)	730	730	730	730	730	730	730	730	730	0	0	0	0.00%	0.00%
Subtotal VHA	730	730	0	730	730	0	730	730	0	0	0	0	0.00%	0.00%
Credit Reform Administrative-OIT														
Veterans Housing	20,147	19,143	0	31,643	31,643	0	31,631	31,631	0	-12	-12	0	-0.04%	-0.04%
Subtotal OIT	20,147	19,143	0	31,643	31,643	0	31,631	31,631	0	-12	-12	0	-0.04%	-0.04%
Credit Reform Subsidy														
Vocational rehabilitation loan program - subsidy	19	16	0	5	5	0	10	10	0	5	5	0	100.00%	100.00%
Subtotal, Credit Reform Subsidy	19	16	0	5	5	0	10	10	0	5	5	0	100.00%	100.00%
Subtotal, Credit Reform Administrative	159,058	151,576	910	159,998	159,998	910	162,382	162,382	910	2,484	2,484	0	1.55%	1.55%
Departmental Administration														
Franchise Fund	0	-40,313	1,089	0	16,000	1,427	0	-6,000	1,559	0	-22,000	132	0	9.25%
Subtotal Departmental Administration	0	-40,313	1,089	0	16,000	1,427	0	-6,000	1,559	0	-22,000	132	0	9.25%
Total, Other Discretionary	9,100,891	8,371,903	40,648	9,315,236	9,294,510	41,377	9,566,504	9,766,116	41,635	249,268	471,605	258	2.68%	5.07%
Total, Discretionary Program w/o Collections	61,354,323	58,979,360	308,578	63,419,125	62,314,256	314,681	65,306,218	64,758,373	316,757	1,887,093	2,444,116	2,076	2.98%	3.92%
Total, Discretionary Program with Collections	64,241,385	61,691,245	308,578	66,337,779	65,218,694	314,681	68,354,521	67,748,334	316,757	2,016,742	2,529,639	2,076	3.04%	3.88%

Department of Veterans Affairs Discretionary Programs Funding and Average Employment for 2013 - 2015 (dollars in thousands)															
	2013-Actuals (FY)			2014-Enacted (CY)			2015-Request (BY)			Change (BY - CY)			Percentage Change (BY - CY)/CY		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Mandatory Programs															
Benefit Programs															
Compensation and Pensions															
Disability Compensation Benefits	55,259,027	59,385,848		65,737,777	66,300,455		72,563,561	71,849,465		6,825,784	5,549,010	0	10.38%	8.37%	
Compensation-ARRA										0	0	0			
Proposed legislation - COLA Increase of 1.9% in 2014										0	0	0			
Transfer to/from Readjustment Benefits (RB)	824,838			65,737,777	66,300,455		72,563,561	71,849,465		6,825,784	5,549,010	0	10.38%	8.37%	
Subtotal Compensation	56,383,865	59,385,848		65,737,777	66,300,455		72,563,561	71,849,465		6,825,784	5,549,010	0	10.38%	8.37%	
Pensions Benefits	4,840,766	5,173,286		5,501,821	5,447,678		5,860,010	5,802,342		358,189	354,664	0	6.51%	6.51%	
Pension-ARRA										0	0	0			
Transfer to/from Readjustment Benefits (RB)	4,840,766	5,173,286		5,501,821	5,447,678		5,860,010	5,802,342		0	0	0			
Subtotal Pension	200,062	200,062	0	236,506	236,506	0	264,138	264,138	0	358,189	354,664	0	6.51%	6.51%	
Burial Benefits	200,062	200,062	0	236,506	236,506	0	264,138	264,138	0	27,632	27,632	0	11.68%	11.68%	
Transfer to Readjustment Benefits (RB)										0	0	0			
Proposed legislation										0	0	0			
National cemetery gift fund										0	0	0			
Subtotal Burial	200,062	200,062	0	236,506	236,506	0	264,138	264,138	0	27,632	27,632	0	11.68%	11.68%	
Emergency Appropriations for Economic Recovery Act															
Total Compensation and Pensions & ARRA	61,424,693	64,759,196	0	71,476,104	71,984,639	0	78,687,709	77,915,945	0	7,211,605	5,831,306	0	10.09%	8.24%	
Readjustment Benefits															
Education Benefits	11,083,318	11,873,625		12,082,867	12,487,238		13,595,420	13,082,055		1,512,553	644,817	0	12.52%	5.18%	
Transfer to/from Compensation Benefits	-824,838	0								0	0	0			
Transfer to Veterans Insurance Benefits (VII)										0	0	0			
Subtotal Education	10,258,480	11,873,625	0	12,082,867	12,487,238	0	13,595,420	13,082,055	0	1,512,553	644,817	0	12.52%	5.18%	
Vocational Rehabilitation & Employment	940,140	933,327		1,053,031	1,014,324		1,146,441	1,117,663		113,410	106,339	0	10.77%	10.51%	
Total Readjustment Benefits	11,198,620	12,807,152	0	13,135,898	13,448,562	0	14,761,861	14,199,718	0	1,625,963	751,156	0	12.38%	5.59%	
Housing Program															
Housing Program Upward Reestimate	1,379,029	1,379,029		2,044,878	2,044,878		0	0		-2,044,878	-2,044,878	0	-100.00%	-100.00%	
Housing Program Original Loan Subsidy	0	0		0	0		248,589	248,589		248,589	248,589	0	-100.00%	-100.00%	
Native American Veteran Housing Loan Program	5,796	5,796		1,328	1,328		0	0		-1,328	-1,328	0	-100.00%	-100.00%	
Vocational Rehabilitation Upward Reestimate	92	92		78	78		0	0		-78	-78	0	-100.00%	-100.00%	
Veterans housing benefit program fund liquidating	-16,000	-17,115		-9,678	-7,381		-8,360	-8,360		1,318	-979	0	-13.62%	13.27%	
Subtotal Housing	1,368,917	1,367,802	0	2,036,607	2,038,904	0	240,229	240,229	0	-1,796,378	-1,798,676	0	-88.20%	-88.22%	
Insurance Benefits	104,600	104,044		77,567	80,939		63,257	63,257		-14,310	-17,682	0	-18.45%	-21.85%	
Transfer from Readjustment Benefits										-14,310	-17,682	0	-18.45%	-21.85%	
Subtotal Insurance	104,600	104,044		77,567	80,939		63,257	63,257		-14,310	-17,682	0	-18.45%	-21.85%	
Trust Funds															
Post-Vietnam era veterans education account	0	598		0	548		0	501		0	0	0		-8.58%	
Service-disabled veterans insurance fund	0	-17,706		0	20,046		0	38,333		0	18,287	0		91.23%	
Veterans reopened insurance fund	0	27,462		0	32,795		0	29,600		0	-3,195	0		-9.74%	
Service members' group life insurance fund	0	-8		0	-9		0	-20		0	0	-11		122.22%	
National service life insurance	1,043,205	1,025,809		1,089,960	1,164,668		1,000,370	1,092,070		-89,590	-72,598	0	-8.22%	-6.23%	
U.S. Government life insurance	2,061	3,622		2,706	3,433		1,874	2,734		-832	-699	0	-30.75%	-20.36%	
Veterans special life insurance fund	0	39,029		0	75,176		87,689	87,689		0	1,2513	0		16.64%	
Subtotal Trust Funds	1,045,266	1,078,806		1,092,666	1,296,637		1,102,244	1,250,907		-90,422	-48,750	0	-8.28%	-3.53%	

Department of Veterans Affairs Discretionary Programs Funding and Average Employment for 2013 - 2015 (dollars in thousands)															
	2013- Actuals (FY)			2014- Enacted (CY)			2015- Request (BY)			Change (BY-CY)			Percentage Change (BY-CY)/CY		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Medical Programs															
Canteen service revolving fund	0	-16,136	3,307	0	3,000	3,425	0	3,000	3,425	0	0	0	0	0.00%	1.48%
General post fund	31,097	19,752	0	32,000	20,300	0	33,200	21,100	0	1,200	800	0	3.75%	3.94%	
Subtotal Veterans Health Administration	31,097	3,616	3,307	32,000	23,300	3,425	33,200	24,100	3,425	1,200	800	0	3.75%	3.43%	1.48%
Departmental Administration															
Supply Fund	0	83,906	957	0	-81,000	1,100	0	-70,000	1,200	0	11,000	100			9.09%
Proposed Veterans Employment & Infrastructure Transfer				0	0	0	1,000,000	50,000	5						
Subtotal Departmental Administration	0	83,906	957	0	-81,000	1,100	1,000,000	-20,000	1,205	1,000,000	61,000	105			9.55%
Benefits Programs Proprietary receipts															
GI Bill - Contribution from Military Personnel	-151,884		0	-150,489	-150,489	0	-102,333	-102,333	0	48,156	48,156	0	-32.00%	-32.00%	
National service life insurance fund	-58,103		0	-56,740	-56,740	0	-48,200	-48,200	0	8,540	8,540	0	-15.05%	-15.05%	
Post-Vietnam era veterans education account	0	0	0	0	0	0	0	0	0	0	0	0			
Downward Reestimates:															
Third party offset of first party debt				0	0	0	0	0	0	0	0	0			
Pharmacy Co-Pays				-7,340	-7,340	0	0	0	0	7,340	7,340	0	-100.00%	-100.00%	
Acquired Direct Loan	-946		0	-289	-289	0	0	0	0	289	289	0	-100.00%	-100.00%	
Transitional housing, Direct Loans	-14,766		0	-9,442	-9,442	0	0	0	0	9,442	9,442	0	-100.00%	-100.00%	
Vetude Direct	-18,384		0	-6,898	-6,898	0	0	0	0	6,898	6,898	0	-100.00%	-100.00%	
Veterans housing benefit fund guaranteed loan	-19,120		0	0	0	0	0	0	0	0	0	0			
Veterans housing benefit fund loan sales securities	-2,660		0	-654	-654	0	0	0	0	654	654	0	-100.00%	-100.00%	
Native American veterans program account	-86		0	-68	-68	0	0	0	0	68	68	0	-100.00%	-100.00%	
Vocational rehabilitation loan program				-496	-496	0	-578	-578	0	-82	-82	0			
Negative Subsidy:															
Acquired Direct	0	0	0	-50,581	-50,581	0	-66,555	-66,555	0	-15,975	-15,975	0	31.58%	31.58%	
Vetude Direct	-134,859		0	-22,405	-22,405	0	0	0	0	22,405	22,405	0	-100.00%	-100.00%	
Veterans housing benefit fund guaranteed loans	-1,161		0	-1,886	-1,860	0	-1,951	-1,896	0	-45	-36	0	3.46%	1.94%	
Native American veterans program account	-336		0	-80	-80	0	-60	-60	0	20	20	0	-25.00%	-25.00%	
U.S. Government life insurance				-307,367	-307,342	0	-219,678	-219,623	0	87,690	87,719	0	-28.53%	-28.54%	
Subtotal, Proprietary receipts	-402,618	-402,855	0	-307,367	-307,342	0	-219,678	-219,623	0	87,690	87,719	0	-28.53%	-28.54%	
Intragovernmental transactions															
National service life insurance fund	-195		0	-160	-160	0	-140	-140	0	20	20	0	-12.50%	-12.50%	
Post-Vietnam era veterans education account	0	0	0	0	0	0	0	0	0	0	0	0			
Subtotal, Intragovernmental transactions	-195	-195	0	-160	-160	0	-140	-140	0	20	20	0	-12.50%	-12.50%	
Total, Mandatory Programs	74,770,380	79,801,471	4,264	87,543,315	88,684,499	4,475	95,568,682	93,454,392	4,630	8,025,367	4,969,893	155	9.17%	5.62%	3.46%
Total Net, Department Veterans Affairs	136,124,703	138,780,731	312,842	150,962,440	150,798,756	319,156	160,874,900	158,212,765	321,387	9,912,460	7,414,010	2,231	6.57%	4.92%	0.70%
Total Gross, Department Veterans Affairs	139,011,765	141,492,716	312,842	153,881,094	153,703,194	319,156	163,923,203	161,202,726	321,387	10,042,109	7,499,533	2,231	6.53%	4.88%	0.70%

¹/2013 Actuals includes funding of \$236.6 million for P.L. 113-2 Disaster Supplemental

²/2015 do not include proposed legislation

<i>Appropriation-Reconciliation (dollars in thousands)</i>			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 ⁽¹⁾ Request
Federal funds:			
Benefit programs:			
Disability Compensation Mandatory Benefits	\$55,559,027	\$65,737,777	71,813,216
Transfer to/from Readjustment Benefits (RB)	824,838	0	0
Proposed legislation - COLA Increase of 1.9% in 2013			750,345
Total Disability Compensation	56,383,865	65,737,777	72,563,561
Burial Mandatory Benefits	200,062	236,506	264,138
Pensions Mandatory Benefits	4,840,766	5,501,821	5,860,010
Subtotal, Compensation and Pension	61,424,693	71,476,104	78,687,709
Education Mandatory Benefits	11,083,318	12,082,867	13,595,420
Transfer to/from Compensation	-824,838	0	0
Vocational rehabilitation and employment Mandatory Benefits	940,140	1,053,031	1,166,441
Subtotal, Readjustment Benefits	11,198,620	13,135,898	14,761,861
Insurance Mandatory Benefits	104,600	77,567	63,257
Housing Mandatory Benefits	1,379,029	2,044,878	248,589
Veterans Employment and Infrastructure Transfer	0	0	1,000,000
Total Benefits Mandatory	74,106,942	86,734,447	94,761,416
Medical Research and Support	581,905	585,664	588,922
Total Medical Research and Support	581,905	585,664	588,922
Medical programs:			
Medical Services	41,354,000	43,557,000	45,015,527
Annual Appropriation, P.L. 113-6, P.L. 113-76	155,000	40,000	367,885
Rescission P.L. 113-6 (0.1 percent)	-1,655		
Rescission P.L. 113-6 (0.032 percent)	-13,282		
Rescission P.L. 113-76 (Unobligated balances)		-179,000	
Transfer to Joint DoD/VA Medical Facility Demonstration Fund	-177,673	-182,630	-187,433
Transfer to Information Technology	-192,000		
Transfer to VA/DoD Health Care Sharing Incentive Fund		-15,000	-15,000
Disaster Supplemental P.L. 113-2	21,000		
Medical Care Collections Fund	2,887,062	2,918,654	3,048,303
Total Medical Services with Collections	44,032,452	46,139,024	48,229,282
Medical Support and Compliance	5,746,000	6,033,000	5,879,700
Rescission P.L. 113-6 (0.1 percent)	-200		
Rescission P.L. 113-6 (0.032 percent)	-1,839		
Rescission P.L. 113-76 (VHA Central Office)		-50,000	
Transfer to Joint DoD/VA Medical Facility Demonstration Fund	-24,857	-25,551	-26,222
Transfer to VA/DoD Health Care Sharing Incentive Fund	-15,000		
Transfer to Information Technology	-6,000		
Total Medical Support and Compliance	5,698,104	5,957,449	5,853,478
Medical Facilities	5,441,000	4,872,000	4,739,000
Rescission P.L. 113-6 (0.1 percent)	-250		
Rescission P.L. 113-6 (0.032 percent)	-1,741		
Annual Appropriation, P.L. 113-76		85,000	
Transfer to Joint DoD/VA Medical Facility Demonstration Fund	-35,071	-30,930	-31,743
Disaster Supplemental P.L. 113-2	6,000		
Total Medical Facilities	5,409,938	4,926,070	4,707,257
VA/DoD Health Care Sharing Incentive Fund			
Transfer from Medical Support and Compliance	15,000		
Transfer from Medical Services		15,000	15,000
Transfer from DoD	15,000	15,000	15,000
Total VA/DoD Health Care Sharing Incentive Fund	30,000	30,000	30,000
Joint DoD/VA Medical Facility Demonstration Fund			
Transfer from DoD	117,920	143,087	146,857
Transfer from Medical Services	177,673	182,630	187,433
Transfer from Medical Support and Compliance	24,857	25,551	26,222
Transfer from Medical Facilities	35,071	30,930	31,743
Collections	16,030	16,346	17,072
Transfer from Information Technology	6,605	6,789	6,968
Total Joint DoD/VA Medical Facility Demonstration Fund	378,156	405,333	416,295
Total Medical Care	55,548,650	57,457,876	59,236,312
Total Medical Programs	56,130,555	58,043,540	59,825,234

<i>Appropriation-Reconciliation</i> (dollars in thousands)			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 ⁽¹⁾ Request
National Cemetery Administration	260,384	250,000	256,800
Rescission P.L. 113-6 (0.1 percent)	-258		
Rescission P.L. 113-6 (0.032 percent)	-83		
Rescission P.L. 113-76 (Unobligated balances)		-1,000	
Total National Cemetery Administration	260,043	249,000	256,800
Department Administration:			
General administration	338,731	327,591	321,591
Rescission P.L. 113-6 (0.1 percent)	-425		
Rescission P.L. 113-6 (0.032 percent)	-136		
Rescission P.L. 113-76 (Unobligated balances)		-2,000	
Subtotal General Administration	338,170	325,591	321,591
Board of Veterans' Appeals	86,006	88,294	94,294
Subtotal Board of Veterans' Appeals	86,006	88,294	94,294
VBA-GOE	2,161,403	2,465,490	2,494,254
Subtotal VBA GOE	2,161,403	2,465,490	2,494,254
Subtotal, GOE	2,585,579	2,879,375	2,910,139
Office of Inspector General	115,000	121,411	121,411
Rescission P.L. 113-6 (0.1 percent)	-115		
Rescission P.L. 113-6 (0.032 percent)	-37		
Subtotal, IG	114,848	121,411	121,411
Construction Major	739,470	342,130	561,800
Rescission P.L. 113-6 (0.1 percent)	-532		
Rescission P.L. 113-6 (0.032 percent)	-171		
Subtotal, Construction Major	738,767	342,130	561,800
Construction Minor	607,530	714,870	495,200
Rescission P.L. 113-6 (0.1 percent)	-608		
Rescission P.L. 113-6 (0.032 percent)	-194		
Subtotal, Construction Minor	606,728	714,870	495,200
Grants for State Extended Care	84,888	85,000	80,000
Subtotal, Grants State Extended Care	84,888	85,000	80,000
Grants for State Cemeteries	46,000	46,000	45,000
Rescission P.L. 113-6 (0.1 percent)	-46		
Rescission P.L. 113-6 (0.032 percent)	-15		
Subtotal, Grants State Cemeteries	45,939	46,000	45,000
Credit Reform	159,039	159,893	162,372
Credit Reform	19	5	10
Subtotal, Credit Reform	159,058	159,898	162,382
Information Technology	3,327,975	3,703,344	3,903,344
Transfer to North Chicago	-6,605	-6,789	-6,789
Transfer from Medical Services	192,000		
Transfer from Medical Support and Compliance	6,000		
Rescission	-4,391		
Subtotal, Information Technology	3,514,979	3,696,555	3,896,555
Total Departmental Administration	7,850,787	8,045,239	8,272,487
Total appropriations	\$138,348,327	\$153,072,226	\$163,115,937
Total Mandatory	\$74,106,942	\$86,734,447	\$94,761,416
Total Discretionary without MCCF	\$61,354,323	\$63,419,125	\$65,306,218
Total Discretionary with MCCF and other receipts	\$64,241,385	\$66,337,779	\$68,354,521

⁽¹⁾ 2015 amounts do not include mandatory legislative proposals

Budget Authority (Net) <i>(dollars in thousands)</i>			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 ⁽¹⁾ Request
Federal funds:			
Benefit programs:			
Disability compensation benefits	\$56,383,865	\$65,737,777	\$72,563,561
Pensions benefits	4,840,766	5,501,821	5,860,010
Education Benefits	10,258,480	12,082,867	13,595,420
Vocational rehabilitation and employment benefits	940,140	1,053,031	1,166,441
Insurance benefits	104,600	77,567	63,257
Housing program account mandatory	1,379,029	2,044,878	0
Housing Program Original Loan Subsidy	0	0	248,589
Native American	5,796	1,328	0
Vocational Rehabilitation Upward Reestimates	92	78	0
Burial benefits	200,062	236,506	264,138
Veterans Employment and Infrastructure Transfer	0	0	1,000,000
Total benefit programs	74,112,830	86,735,853	94,761,416
Medical programs:			
Medical services	41,145,390	43,220,370	45,180,979
Medical care collections fund	2,887,062	2,918,654	3,048,303
Total medical care	44,032,452	46,139,024	48,229,282
Medical Support and Compliance	5,698,104	5,957,449	5,853,478
Medical facilities	5,409,938	4,926,070	4,707,257
VA/DoD Health Sharing Incentive Fund	30,000	30,000	30,000
Joint DoD/VA Medical Facility Demonstration Fund	378,156	405,333	416,295
Medical and prosthetic research	581,905	585,664	588,922
Total medical programs	56,130,555	58,043,540	59,825,234
National Cemeteries Administration	260,043	249,000	256,800
Departmental Administration:			
General administration	338,170	325,591	321,591
Board of Veterans' Appeals	86,006	88,294	94,294
Office of Inspector General	114,848	121,411	121,411
VBA-GOE	2,161,403	2,465,490	2,494,254
Construction Major	738,767	342,130	561,800
Construction Minor	606,728	714,870	495,200
Grants for State Extended Care	84,888	85,000	80,000
Grants for State Cemeteries	45,939	46,000	45,000
Credit Reform	159,058	159,898	162,382
Information Technology	3,514,979	3,696,555	3,896,555
Total Departmental administration	7,850,786	8,045,239	8,272,487
Total appropriations, adjusted	138,354,214	153,073,632	163,115,937

Budget Authority (Net) <i>(dollars in thousands)</i>			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 Request
Proprietary receipts from the public:			
GI Bill receipts	-151,884	-150,489	-102,333
National service life insurance fund	-58,103	-56,740	-48,200
Post-Vietnam era veterans education account	0	0	0
Downward reestimates:			
Acquired Direct	-946	-7,340	0
Vendee Direct	-14,766	-9,442	0
Transitional Housing	-257	-289	0
Veterans housing benefit fund guaranteed loan account	-18,384	-6,898	0
Veterans housing benefit fund loan sale securities	-19,120	0	0
Native American veterans program account	-2,660	-654	0
Vocational rehabilitation loan program	-86	-68	0
Negative subsidy:			
Acquired Direct Loan	-55	-496	-578
Vendee Direct	0	-50,581	-66,555
Veterans housing benefit fund guaranteed loan account	-134,859	-22,405	0
U.S. Government life insurance	-336	-80	-60
Native American veterans program account	-1,161	-1,886	-1,951
Medical care collections fund	-2,887,062	-2,918,654	-3,048,303
Total proprietary receipts from the public	-3,289,679	-3,226,022	-3,267,980
Total federal funds	135,064,535	149,847,610	159,847,957
Trust funds:			
Post-Vietnam era veterans education account	0	0	0
General post fund	31,097	32,000	33,200
Pershing Hall revolving fund	0	0	0
National service life insurance	1,043,205	1,089,960	1,000,370
U.S. Government life insurance	2,061	2,706	1,874
Total trust funds (gross)	1,076,363	1,124,666	1,035,444
Veterans housing benefit program fund liquidating account	-16,000	-9,678	-8,360
Intragovernmental transactions			
Post-Vietnam era veterans education account	0	0	0
National service life insurance	-195	-160	-140
Total Intergovernmental transactions	-195	-160	-140
Total Department of Veterans Affairs	\$136,124,703	\$150,962,440	\$160,874,900

⁽¹⁾ 2015 amounts do not include mandatory legislative proposals

Outlays (Net) <i>(dollars in thousands)</i>			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 Request
Federal funds:			
Benefit programs:			
Disability compensation benefits	\$59,385,848	\$66,300,455	\$71,849,465
Pensions benefits	5,173,286	5,447,678	5,802,342
Burial Benefits	200,062	236,506	264,138
Education Benefits	11,873,625	12,437,238	13,082,055
Vocational rehabilitation and employment benefits	933,527	1,011,324	1,117,663
Insurance benefits	104,044	80,939	63,257
Veterans housing benefit program fund liquidating account	-17,115	-7,381	-8,360
Housing program account benefits	1,379,029	2,044,878	0
Housing Program Original Loan Subsidy	0	0	248,589
Native American Veteran housing Loan Program	5,796	1,328	0
Vocational Rehabilitation Upward Reestimate	92	78	0
Credit Reform	151,576	159,898	162,382
Veterans Employment and Infrastructure Transfer		0	50,000
Service-disabled veterans insurance fund	-17,706	20,046	38,333
Veterans reopened insurance fund	27,462	32,795	29,600
Servicemembers' group life insurance fund	-8	-9	-20
Total benefit programs	79,199,518	87,765,773	92,699,444
Medical programs:			
Medical services	39,670,298	42,247,972	44,563,636
Medical care collections fund	2,711,985	2,904,438	2,989,961
Total medical services	42,382,283	45,152,410	47,553,597
Medical Support and Compliance	5,431,770	5,863,893	5,779,433
Medical facilities	5,505,289	4,907,881	4,649,188
VA/DoD Healthcare Sharing Incentive Fund	35,006	80,000	30,000
Joint VA/DoD Medical Facility Demonstration Fund	350,467	417,143	431,603
Medical and prosthetic research	536,142	575,579	578,816
Canteen service revolving fund	-16,136	3,000	3,000
Total medical programs	54,224,821	56,999,906	59,025,637
Departmental Administration			
General Administration	322,389	406,271	417,246
Board of Veterans' Appeals	0	0	72,000
VBA GOE	2,131,134	2,265,278	2,408,250
Filipino Veterans Equity Compensation Fund	1,080	1,080	0
National Cemetery Administration	258,138	248,674	275,803
Construction-Major	698,505	823,491	719,911
Construction-Minor	442,158	429,228	590,280
Grants for State Extended Care Facilities	94,762	89,613	85,723
Grants for State Cemeteries	55,072	54,697	54,254
Information Technology	3,217,999	3,613,517	3,829,613
Office of Inspector General	117,788	114,041	116,235
Franchise fund	-40,313	16,000	-6,000
Supply fund	83,906	-81,000	-70,000
Total GOE & Miscellaneous	7,382,618	7,980,890	8,493,315
Total appropriations & funds	140,806,957	152,746,569	160,218,396

Outlays (Net) <i>(dollars in thousands)</i>			
Appropriation/Fund Account	2013 Actual	2014 Enacted	2015 Request
Proprietary receipts from the public:			
GI Bill	-151,884	-150,489	-102,333
Downward reestimates			
Direct Loans	-946	-7,340	0
Vendee Direct	-14,766	-9,442	0
Transitional Housing - Direct Loans	-257	-289	0
Veterans housing benefit fund guaranteed loan	-18,384	-6,898	0
Veterans housing benefit fund loan sale securities	-19,120	0	0
Native American veterans program account	-2,660	-654	0
Vocational rehabilitation loan program	-86	-68	0
Negative subsidy:			
Acquired Direct	-55	-496	-578
Vendee Direct	0	-50,581	-66,555
Veterans housing benefit fund guaranteed loan	-134,859	-22,405	0
Native American veteran housing loan program account	-1,399	-1,860	-1,896
Medical care collections fund	-2,711,985	-2,904,438	-2,989,961
Total proprietary receipts from the public	-3,056,401	-3,154,960	-3,161,323
Total federal funds	137,750,556	149,591,609	157,057,073
Trust funds:			
General post fund	19,752	20,300	21,100
Post-Vietnam era veterans education account	598	548	501
National service life insurance	1,025,809	1,164,668	1,092,070
U.S. Government life insurance	3,622	3,433	2,734
Veterans special life insurance	39,029	75,176	87,689
National cemetery gift fund	0	0	0
Total trust funds (gross)	1,088,810	1,264,125	1,204,094
Proprietary receipts from the public	-58,439	-56,820	-48,260
Post-Vietnam era veterans education account	0	0	0
U.S. Government life insurance	-336	-80	-60
National service life insurance	-58,103	-56,740	-48,200
Total trust funds (net)	1,030,371	1,207,305	1,155,834
Intragovernmental transactions	-195	-160	-140
Total Department of Veterans Affairs	\$138,780,731	\$150,798,756	\$158,212,765

Functional Distribution of Budget Authority (Net) <i>(dollars in thousands)</i>			
Function and Program	2013 Actual	2014 Enacted	2015 ⁽¹⁾ Request
701: Income security for veterans:			
Disability compensation benefits	\$56,383,865	\$65,737,777	\$72,563,561
Pensions benefits	4,840,766	5,501,821	5,860,010
Burial benefits	200,062	236,506	264,138
National cemetery gift fund	0	0	0
Insurance benefits	104,600	77,567	63,257
Service-disabled veterans insurance fund	0	0	0
Veterans reopened insurance fund	0	0	0
National service life insurance	1,043,205	1,089,960	1,000,370
US Government life insurance	2,061	2,706	1,874
Veterans special life insurance fund	0	0	0
Servicemember's group life insurance fund	0	0	0
US Government life insurance	-336	-80	-60
Subtotal, income security for veterans	62,574,223	72,646,257	79,753,150
702: Veterans education, training and rehabilitation:			
Education benefits	10,258,480	12,082,867	13,595,420
Vocational rehabilitation and employment benefits	940,140	1,053,031	1,166,441
Post-Vietnam era veterans education account	0	0	0
Post-Vietnam era veterans education receipts	0	0	0
National service life insurance receipts	-195	-160	-140
Downward reestimates:			
Vocational Rehabilitation loan program	-86	-68	0
GI Bill receipts	-151,884	-150,489	-102,333
National service life insurance fund	-58,103	-56,740	-48,200
Post-Vietnam era veterans education account	0	0	0
Veterans Employment and Infrastructure Transfer			1,000,000
Subtotal, veterans education, training and rehabilitation	10,988,352	12,928,441	15,611,188
703: Hospital & Medical Care for veterans:			
Medical services	41,145,390	43,220,370	45,180,979
Medical care collections fund	2,887,062	2,918,654	3,048,303
Total medical services	44,032,452	46,139,024	48,229,282
Medical Support and Compliance	5,698,104	5,957,449	5,853,478
Medical facilities	5,409,938	4,926,070	4,707,257
VA/DoD Health Sharing Incentive Fund	30,000	30,000	30,000
Joint DoD/VA Medical Facility Demonstration Fund	378,156	405,333	416,295
Medical and prosthetic research	581,905	585,664	588,922
Medical care collections fund, receipts	-2,887,062	-2,918,654	-3,048,303
Downward reestimates:			
Subtotal, hospital and medical care for veterans	53,243,493	55,124,886	56,776,931

Functional Distribution of Budget Authority (Net) (dollars in thousands)			
Function and Program	2013 Actual	2014 Enacted	2015 Request
704: Veterans housing:			
Veterans housing benefit program fund liquidating account	-16,000	-9,678	-8,360
Housing program account mandatory	1,379,029	2,044,878	0
Housing Program Original Loan Subsidy	0	0	248,589
Native American	5,796	1,328	0
Vocational Rehabilitation Upward Reestimates	92	78	0
Downward reestimates:			
Veterans housing benefit guaranteed loan	-18,384	-6,898	0
Veterans housing benefit fund loan sale securities	-19,120	0	0
Veterans housing benefit direct loan	0	0	0
Native American veterans program account	-2,660	-654	0
Acquired Direct	-946	-7,340	0
Vendee Direct	-14,766	-9,442	0
Transitional Housing-Direct Loans	-257	-289	0
Negative subsidy:			
Acquired Direct Loan	-55	-496	-578
Vendee Direct	0	-50,581	-66,555
Veterans housing benefit fund guaranteed loan account	-134,859	-22,405	0
Native American veterans program account	-1,161	-1,886	-1,951
Subtotal, veterans housing	1,176,709	1,936,615	171,145
705: Other veterans benefits and services:			
National Cemeteries Administration	260,043	249,000	256,800
General post fund	31,097	32,000	33,200
General administration	338,170	325,591	321,591
Board of Veteran's Appeals	86,006	88,294	94,294
Office of Inspector General	114,848	121,411	121,411
VBA-GOE	2,161,403	2,465,490	2,494,254
Filipino Veterans Compensation Fund	0	0	0
Construction Major	738,767	342,130	561,800
Construction Minor	606,728	714,870	495,200
Grants for State Extended Care	84,888	85,000	80,000
Grants for State Cemeteries	45,939	46,000	45,000
Credit Reform	159,058	159,898	162,382
Information Technology	3,514,979	3,696,555	3,896,555
Subtotal, other veterans benefits and services	8,141,926	8,326,239	8,562,487
Total, function 700 distribution of Budget			
Authority for the Department of Veterans Affairs	136,124,703	150,962,438	160,874,901
Deduction for offsetting receipts (function 902)	0	0	0
Total Department of Veterans Affairs	\$136,124,703	\$150,962,440	\$160,874,900

⁽¹⁾ 2015 amounts do not include mandatory legislative proposals

<i>Functional Distribution of Outlays</i>			
<i>(dollars in thousands)</i>			
Function and Program	2013 Actual	2014 Enacted	2015 Request
701: Income security for veterans:			
Disability compensation benefits	\$59,385,848	\$66,300,455	\$71,849,465
Proposed legislation - Concurrent Receipt	0	0	0
Pensions benefits	5,173,286	5,447,678	5,802,342
Burial benefits	200,062	236,506	264,138
Insurance benefits	104,044	80,939	63,257
Service-disabled veterans insurance	-17,706	20,046	38,333
Veterans reopened insurance fund	27,462	32,795	29,600
Servicemembers' group life insurance fund	-8	-9	-20
National service life insurance	1,025,809	1,164,668	1,092,070
U.S. Government life insurance	3,622	3,433	2,734
Veterans special life insurance	39,029	75,176	87,689
NSLI & USGLI receipts	-58,634	-56,980	-48,400
Subtotal, income security for veterans	65,882,814	73,304,707	79,181,208
702: Veterans education, training, and rehabilitation:			
Education benefits	11,873,625	12,437,238	13,082,055
Vocational rehabilitation and employment benefits	933,527	1,011,324	1,117,663
Vocational rehabilitation Upward Reestimate	92	78	0
Credit Reform	151,576	159,898	162,382
Post-Vietnam era veterans education	598	548	501
Post-Vietnam era veterans education receipts	0	0	0
Downward reestimates:			
Vocational rehabilitation loan program	-86	-68	0
GI Bill receipts	-151,884	-150,489	-102,333
Veterans Employment and Infrastructure Transfer			50,000
Subtotal, veterans education, training and rehabilitation	12,807,448	13,458,529	14,310,268
703: Hospital and medical care for veterans:			
Medical services	42,382,283	45,152,410	47,553,597
Medical Support and Compliance	5,431,770	5,863,893	5,779,433
Medical facilities	5,505,289	4,907,881	4,649,188
VA/DoD Health Sharing Incentive Fund	35,006	80,000	30,000
Joint VA/DoD Medical Facility Demonstration Fund	350,467	417,143	431,603
Medical and prosthetic research	536,142	575,579	578,816
Medical care collections fund, receipts	-2,711,985	-2,904,438	-2,989,961
Subtotal, hospital and medical care for veterans	51,528,972	54,092,468	56,032,676

Functional Distribution of Outlays			
<i>(dollars in thousands)</i>			
Function and Program	2013 Actual	2014 Enacted	2015 Request
704: Veterans Housing			
Veterans housing benefit program fund liquidating account	-17,115	-7,381	-8,360
Housing program account benefits	1,379,029	2,044,878	0
Housing program original loan subsidy	0	0	248,589
Native American Veteran housing Loan Program	5,796	1,328	0
Downward reestimates:			
Vendee Direct	-14,766	-9,442	0
Transitional Housing - Direct Loans	-257	-289	0
Veterans housing benefit guaranteed loan	-18,384	-6,898	0
Veterans housing benefit loan securities	-19,120	0	0
Veterans housing benefit direct loan	-946	-7,340	0
Native American veterans program account	-2,660	-654	0
Negative subsidy:			
Acquired Direct	-55	-496	-578
Vendee Direct	0	-50,581	-66,555
Veterans housing benefit fund guaranteed loan	-134,859	-22,405	0
Native American veteran housing loan program account	-1,399	-1,860	-1,896
Subtotal, veterans housing	1,175,264	1,938,860	171,200
705: Other veterans benefits and services:			
VBA-GOE	2,131,134	2,265,278	2,408,250
Filipino Veterans Equity Compensation Fund	1,080	1,080	0
National Cemetery Administration	258,138	248,674	275,803
Canteen service revolving fund	-16,136	3,000	3,000
Supply fund	83,906	-81,000	-70,000
General post fund	19,752	20,300	21,100
General Administration	322,389	406,271	417,246
Board of Veterans' Appeals	0	0	72,000
Construction-Major	698,505	823,491	719,911
Construction- Minor	442,158	429,228	590,280
Grants for State Extended Care	94,762	89,613	85,723
Grants for State Cemeteries	55,072	54,697	54,254
Information Technology	3,217,999	3,613,517	3,829,613
National cemetery gift fund	0	0	0
Office of Inspector General	117,788	114,041	116,235
Franchise fund	-40,313	16,000	-6,000
General Operating Expenses-SSA	0	0	0
Pershing hall revolving fund	0	0	0
Subtotal, other veterans benefits and services	7,386,234	8,004,190	8,517,415
Total, function 700 Distribution of Budget			
Outlays for the Department of Veterans Affairs	\$138,780,731	\$150,798,756	\$158,212,765
Deduction for offsetting receipts (Function 902)			
Total Department of Veterans Affairs	\$138,780,731	\$150,798,756	\$158,212,765

Obligations (dollars in thousands)			
Appropriation/Fund Account	2013	2014	2015
Federal funds:			
Benefit programs:			
Disability compensation benefits	\$59,808,756	\$66,959,401	\$72,563,561
Proposed legislation (COLA)	0	0	750
Pensions benefits	5,195,145	5,501,821	5,860,010
Burial benefits	200,062	236,506	264,138
Education benefits	12,337,301	13,210,628	13,867,200
Post-Vietnam era veterans' education account	615	539	493
Vocational rehabilitation and employment benefits	940,140	1,053,031	1,166,441
Vocational rehabilitation loan program account	453	437	371
Insurance benefits	108,928	84,307	67,987
Housing program account benefits	1,534,870	2,206,663	412,248
Native American Direct Loan Program Account	6,883	2,437	1,130
Service-disabled veterans insurance fund	135,710	153,610	164,960
Veterans reopened insurance fund	39,791	39,210	36,280
Servicemembers' group life insurance fund	976,702	955,450	860,250
Filipino Veterans Equity Compensation Fund	1,080	1,188	0
Total benefits programs	81,286,436	90,405,228	95,265,819
Medical programs:			
Medical care	55,453,211	57,366,858	59,498,017
Medical prosthetics and research	637,514	657,956	637,911
Medical center research organizations	243,641	252,333	252,812
VA/DoD Health Care Sharing Incentive Fund	50,012	70,000	70,000
Joint DoD/VA Medical Facility Demonstration Fund	386,439	416,542	425,195
Canteen service revolving fund	445,478	445,350	455,150
Total medical programs	57,216,296	59,209,039	61,339,085
National Cemetery Administration:	255,020	258,838	257,100
Departmental administration:			
VBA- GOE	2,559,088	2,922,386	2,907,649
General administration	680,249	733,601	742,918
Board of Veterans' Appeals	77,470	89,812	101,276
Pershing Hall revolving fund	84	193	193
Franchise fund	477,202	625,420	646,635
Office of Inspector General	118,154	127,532	127,243
Supply fund	1,983,802	2,030,000	2,100,000
Information Technology	3,485,347	3,675,018	3,993,064
Construction, Major & Minor	1,356,900	1,552,000	1,785,440
Grants for State Extended Care	189,301	102,874	80,000
Grants for State Cemeteries	34,703	62,071	45,000
Proposed Legislation- Veterans Employment & Infrastructure	0	0	75,000
Total Departmental administration	10,962,300	11,920,907	12,604,418
Total federal funds	149,720,051	161,794,012	169,466,422
Trust funds:			
General post fund	19,298	25,100	26,000
National service life insurance	1,092,509	1,089,960	1,000,370
U.S. Government life insurance	2,398	2,706	1,874
Veterans special life insurance	202,979	214,509	210,929
National cemetery gift fund	100	250	250
Total trust funds	1,317,284	1,332,525	1,239,423
Total Department of Veterans Affairs	\$151,037,336	\$163,126,537	\$170,705,845
Non-Budget			
Veterans housing benefit program direct loan financing account	55,842	472,339	615,174
Veterans housing benefits program loan sale securities financing account	48,608	22,170	21,268
Veterans housing benefit program guaranteed loan financing account	3,028,192	3,024,606	3,458,294
Native American and transitional housing direct loan financing account	11,854	16,793	16,670
Vocational rehabilitation loan financing account	2,505	2,568	2,877
Total Non-Budget	\$3,147,001	\$3,538,476	\$4,114,283

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Budget Authority										
2004 - 2013 Actuals										
<i>(dollar in thousands)</i>										
Appropriation/Fund Account	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)	2010 (Net)	2011 (Net)	2012 (Net)	2013 (Net)
Federal funds:										
Benefit programs										
Compensation and pensions	\$29,842,126	\$32,361,923	\$33,897,787	\$38,622,360	\$41,238,855	\$43,505,909	\$61,176,942	\$53,039,657	\$51,237,567	\$61,424,693
Readjustment benefits	2,529,734	2,801,997	3,309,234	2,812,006	3,300,289	4,132,944	8,820,722	11,334,634	12,108,487	11,198,620
Veterans insurance and indemnities	32,017	44,380	45,907	49,850	41,250	48,072	56,288	77,589	100,252	104,600
Veterans housing benefit program fund program account	356,581	2,042,210	198,009	204,479	969,168	486,232	974,811	1,553,906	1,727,314	1,542,523
Veterans housing benefit program fund liquidating account, permanent	-40,000	-45,000	-49,485	-42,000	-20,242	-7,930	-6,813	-7,329	-7,383	-16,000
Native American veteran housing loan program account	1,265	567	580	584	628	646	664	663	1,116	1,088
Education loan fund program account	197	0	0	0	0	0	0	0	0	0
Vocational rehabilitation loans program account	350	356	355	358	355	381	357	354	358	362
Total benefits programs	32,722,270	37,206,433	37,402,387	41,647,637	45,530,303	48,166,234	71,022,971	65,999,474	65,167,711	74,255,886
Medical programs:										
Medical care										
Medical services	20,449,427	22,584,161	24,139,378	27,517,363	30,445,908	33,512,421	37,588,065	39,718,911	42,331,830	44,032,452
Medical support and compliance	4,095,078	4,437,300	3,430,542	3,674,815	3,956,617	4,405,500	4,882,000	5,252,367	5,405,482	5,698,104
Medical facilities	3,188,817	3,329,749	3,357,869	4,548,165	4,233,182	6,029,000	4,859,000	5,703,116	5,388,838	5,409,938
Total Medical care programs	27,733,322	30,351,210	30,927,789	35,740,343	38,635,707	43,946,921	47,329,065	50,674,394	53,126,150	55,140,494
Medical and prosthetic research	405,593	402,348	412,000	446,480	480,000	510,000	581,000	579,838	581,000	581,905
DoD/VA health care sharing Incentive fund	30,000	30,000	30,000	70,000	90,000	34,000	55,000	130,000	130,000	30,000
Joint DoD/VA Medical Facility Demonstration Fund								104,004	375,758	378,156
Total medical programs	28,168,915	30,783,558	31,369,789	36,256,823	39,205,707	44,490,921	47,965,065	51,488,236	54,212,908	56,130,555

Budget Authority 2004 - 2013 Actuals <i>(dollar in thousands)</i>											
Appropriation/Fund Account	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)	2010 (Net)	2011 (Net)	2012 (Net)	203 (Net)	
Construction programs:											
Construction, major projects	671,578	481,498	1,560,519	399,000	1,531,477	923,382	1,194,000	1,073,734	589,604	738,767	
Construction, minor projects	250,656	245,476	233,137	524,937	630,535	741,534	703,000	466,765	482,386	606,728	
Grants for the construction of State extended care facilities	101,498	104,322	85,000	85,000	165,000	325,000	100,000	84,830	85,000	84,888	
Grants for the construction of State veterans cemeteries	31,811	31,744	32,000	32,000	39,500	42,000	46,000	45,908	46,000	45,939	
Total construction programs	1,055,543	863,040	1,910,656	1,040,937	2,366,512	2,031,916	2,043,000	1,671,237	1,202,990	1,476,322	
Information Technology		1,283,517	1,231,420	1,247,846	2,358,122	2,798,182	3,307,000	2,991,624	3,104,771	3,514,979	
National cemetery administration	143,352	147,784	149,798	160,231	193,858	280,000	250,000	249,500	250,934	260,043	
General operating expenses and misc.:											
General operating expenses	1,275,201	1,433,700	1,373,240	1,586,372	1,751,758	1,954,167	2,086,707	2,132,502	2,018,764	2,161,403	
VBA General Operating Expenses								396,705	416,737	424,176	
General Administration	61,634	69,153	69,074	70,641	80,500	88,818	109,000	108,782	112,391	114,848	
Filipino veterans equity compensation fund				0	0	198,000	67,000	0	0	0	
Office of Inspector General				70,641	80,500	88,818	109,000	108,782	112,391	114,848	
Total GOE and miscellaneous	1,336,835	1,502,853	1,442,314	1,657,013	1,832,258	2,240,985	2,262,707	2,637,989	2,547,892	2,700,427	
Total appropriations (adjusted)	63,283,563	70,355,884	72,125,146	80,602,410	88,934,780	96,930,076	123,293,743	121,796,936	123,131,501	134,563,190	
DEDUCT: Proprietary receipts from the public	-1,697,725	-1,868,383	-1,994,172	-2,226,653	-2,477,000	-2,766,908	-2,847,565	-2,770,663	-2,814,245	-2,887,062	
Total federal funds	61,585,838	68,487,501	70,130,974	78,375,757	86,457,780	94,163,168	120,446,178	119,026,273	120,317,256	131,676,128	
Trust funds:											
Post-Vietnam era veterans education account	1,024	619	333	230	820	49	6	8	6	0	
General post fund	31,066	30,926	31,851	30,754	39,718	36,365	26,950	28,024	25,962	31,097	
Pershing Hall revolving fund	0	0	0	0	0	0	0	0	0	0	
National service life insurance	1,238,240	1,210,888	1,185,856	1,138,518	1,144,755	1,117,152	1,078,083	1,042,461	979,393	1,043,205	
U.S. Government life insurance	7,877	7,323	6,322	4,000	5,295	4,688	4,294	3,690	3,221	2,061	
Service-disabled veterans insurance fund	0	1	0	0	0	0	0	0	0	0	
Veterans reopened insurance fund	0	-1	0	0	0	0	0	0	0	0	
Veterans special life insurance fund	0	0	0	0	0	0	0	0	0	0	
Servicemembers' group life insurance fund	0	-21	-20	0	0	0	0	0	0	0	
National cemetery gift fund	78	0	396	0	0	0	0	0	0	0	
Total trust funds (gross)	1,278,285	1,249,735	1,224,738	1,173,502	1,190,588	1,158,254	1,109,333	1,074,183	1,008,582	1,076,363	
DEDUCT: Proprietary receipts from the public	-2,677,090	-1,474,804	-1,710,188	-1,393,310	-1,691,506	-1,372,124	-684,058	-531,188	-530,144	-402,618	
Total trust funds (net)	-1,398,805	-225,069	-485,450	-219,808	-500,918	-213,870	425,275	542,995	478,438	673,745	
DEDUCT: Intragovernmental transactions	-1,279	-1,670	-886	-725	-1,191	-1,303	-1,269	-1,015	-793	-195	
Total Department of Veterans Affairs	\$60,329,106	\$69,692,063	\$71,025,856	\$79,563,302	\$88,507,651	\$97,026,171	\$124,427,184	\$122,809,377	\$124,150,606	\$136,124,703	

Budget Outlays 2004 - 2013 Actuals <i>(dollar in thousands)</i>										
Appropriation/Fund Account	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)	2010 (Net)	2011 (Net)	2012 (Net)	2013 (Net)
Federal Funds:										
Benefit programs:										
Compensation & pensions	\$29,783,850	\$34,693,641	\$34,680,630	\$34,599,803	\$40,241,426	\$44,734,687	\$47,901,439	\$57,577,997	\$54,754,081	\$64,759,196
Readjustment benefits	2,684,382	2,936,589	2,949,314	2,999,468	3,209,553	3,875,395	8,316,712	10,705,469	10,330,493	12,807,152
Veterans insurance and indemnities	31,638	44,649	45,956	49,873	41,332	47,659	44,927	81,667	99,777	104,044
Reinstated entitlement program for survivors	0	0	0	0	0	0	0	0	0	0
Veterans housing benefit program fund										
liquidating account	-92,958	-76,577	-71,812	-28,340	-24,632	-11,868	-9,892	-8,828	-8,545	-17,115
Veterans housing benefit program fund										
program account	370,964	2,033,378	213,086	208,472	969,168	467,660	974,811	1,533,530	1,729,965	1,535,044
Native American veteran housing										
loan program account	1,278	555	566	571	628	617	664	663	1,116	1,088
Service-disabled veterans insurance fund	3,002	-6,281	-5,713	-8,085	3,407	8,004	5,974	-16,423	-22,934	-17,706
Veterans reopened insurance fund	17,896	19,840	20,956	22,973	23,121	24,649	23,110	26,733	28,080	27,462
Education loan fund liquidating account	109									
Education loan modification	-129									
Education loan fund program account	69									
Vocational rehabilitation loans program account	337	347	348	350	355	375	357	354	358	362
Servicemembers' group life insurance fund	5,239	-21	-19	-25	-17	-11,247	11,208	-17	-15	-8
Total benefits programs	32,805,677	39,646,120	37,833,312	37,845,060	44,464,341	49,135,931	57,269,310	69,901,145	66,912,376	79,199,519
Medical programs:										
Medical care										
Medical services	21,877,112	21,861,500	23,855,420	26,083,319	30,038,203	33,969,490	36,580,626	39,583,974	40,198,800	42,382,283
Medical support and compliance	3,418,844	4,171,364	3,695,558	3,640,454	3,634,998	4,224,639	4,711,724	5,344,172	5,288,202	5,431,770
Medical facilities	2,472,619	3,015,958	3,341,474	3,544,804	4,241,189	4,639,594	5,057,072	5,478,874	5,442,108	5,505,289
Total Medical care programs	27,768,575	29,048,822	30,892,452	33,268,577	37,914,390	42,833,723	46,349,422	50,407,020	50,929,110	53,319,342
Medical and prosthetic research	389,091	389,759	406,094	403,841	436,626	507,911	520,904	558,875	584,297	536,142
Medical administration and										
miscellaneous operating expenses	0	0	0	0	0	0	0	0	0	0
VA/DoD health care sharing Incentive fund	0	811	6,861	35,663	41,567	42,538	46,920	88,800	61,000	35,006
Joint DoD/VA medical Facility Demonstration Fund										
Medical care cost recovery fund	0	0	0	0	0	0	0	0	0	0
Health professional scholarship program	0	0	0	0	0	0	0	0	0	0
Medical facilities revolving fund	212									
Veterans extended care revolving fund	-1,673									
Special therapeutic and										
rehabilitation activities fund	-796									
Canteen service revolving fund	3,447	-5,813	2,622	-3,355	3,762	16,313	6,120	7,862	-21,392	-16,136
Total medical programs	28,158,856	29,433,579	31,308,029	33,704,726	38,396,345	43,400,485	46,923,366	51,127,013	51,895,327	54,224,821

Budget Outlays
2004 - 2013 Actuals
(dollar in thousands)

Appropriation/Fund Account	2004 (Net)	2005 (Net)	2006 (Net)	2007 (Net)	2008 (Net)	2009 (Net)	2010 (Net)	2011 (Net)	2012 (Net)	2013 (Net)
Construction programs:										
Construction, major projects	118,396	146,228	237,185	437,136	528,791	658,137	990,942	1,011,708	738,251	698,505
Construction, minor projects	199,766	217,353	259,427	267,315	412,682	507,720	535,426	578,966	549,607	442,158
Parking revolving fund	3,404									
Grants for the construction of State extended care facilities	77,369	96,780	122,106	108,793	115,634	128,794	108,716	124,369	201,011	94,762
Grants for the construction of State veterans cemeteries	39,168	22,510	37,354	25,585	31,092	29,848	36,406	49,872	27,697	55,072
Total construction programs	438,103	482,871	656,072	838,829	1,088,199	1,324,499	1,671,490	1,764,915	1,516,566	1,290,497
Information Technology		731,605	622,136	1,111,376	1,988,974	2,395,337	2,525,805	3,354,500	3,265,767	3,217,999
National cemetery administration	135,593	150,028	148,734	156,263	167,002	209,275	250,431	254,521	255,005	258,138
General operating expenses and misc.:										
General operating expenses	1,252,361	1,293,600	1,544,925	1,476,092	1,628,150	1,839,593	1,897,029	2,232,616	2,143,680	2,131,134
VBA General Operating Expenses										
General Administration										
Filipino veterans equity compensation fund	0	0	0	0	0	82,438	113,131	10,099	1,659	1,080
Franchise fund	-5,532	0	0	10,000	33,784	13,101	-28,243	-54,809	13,462	-40,313
Office of Inspector General	57,819	65,952	72,815	71,696	71,583	88,445	96,650	109,148	111,563	117,788
Supply fund	-146,211	0	261,043	29,000	2,564	-27,367	-30,874	-45,803	64,631	83,906
Pershing hall revolving fund	-109	-45	-45	-45	-136	0	0	0	0	0
Total GOE and miscellaneous	1,158,328	1,359,507	1,878,738	1,586,743	1,735,945	1,996,210	2,047,693	2,656,111	2,618,960	2,615,984
Total appropriations (adjusted)	62,560,964	70,922,077	71,676,151	79,975,358	85,684,830	95,857,125	107,911,859	125,449,184	122,943,229	137,330,821
DEDUCT: Proprietary receipts from the public	-1,697,725	-1,868,383	-1,994,172	-2,226,653	-2,477,000	-2,766,908	-2,421,010	-2,588,294	-2,887,965	-2,711,985
Total federal funds	60,863,239	69,053,694	69,681,979	71,748,705	83,207,830	93,090,217	105,490,849	122,860,890	120,055,264	134,618,836
Trust funds:										
Post-Vietnam era veterans education account	3,560	2,897	2,375	2,200	2,030	1,909	1,498	1,341	825	598
General post fund	27,487	30,508	30,324	29,670	27,082	37,589	26,466	25,799	24,321	19,752
National service life insurance	1,231,445	1,206,851	1,199,743	1,168,739	1,163,064	1,188,023	1,147,080	1,130,388	1,070,913	1,025,809
U.S. Government life insurance	9,316	8,525	7,661	7,003	6,190	6,290	5,537	5,169	5,012	3,622
Veterans special life insurance	-37,141	-40,256	-31,852	-25,224	-14,164	-1,582	4,434	15,322	27,275	39,029
National cemetery gift fund	51	0	79							
Total trust funds (gross)	1,234,718	1,208,525	1,208,330	1,182,388	1,184,202	1,232,229	1,185,014	1,178,019	1,128,346	1,088,810
DEDUCT: Proprietary receipts from the public	-2,677,090	-1,474,804	-1,710,188	-1,393,310	-1,691,506	-1,366,596	-689,584	-531,188	-530,144	-402,855
Total trust funds (net)	-1,442,372	-266,279	-501,858	-210,922	-507,304	-134,367	495,430	646,831	598,202	685,955
DEDUCT: Intragovernmental transactions	-1,279	-1,670	-886	-725	-1,191	-1,303	-1,269	-1,015	-793	-195
Total Department of Veterans Affairs	\$59,555,181	\$69,667,378	\$69,950,105	\$72,804,697	\$84,855,311	\$95,559,159	\$108,761,246	\$127,115,727	\$124,173,445	\$138,780,731

**Total Average Employment
2004 - 2013 Actuals**

Appropriation/Fund Account	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Medical Programs										
Medical Services	131,140	135,283	135,186	140,491	158,263	172,338	178,913	185,064	187,313	195,679
Medical Support and Compliance	34,218	35,652	36,244	37,405	35,847	39,851	42,434	45,258	47,021	48,610
Medical Facilities	28,914	26,715	26,470	26,678	22,291	23,430	23,790	23,908	23,321	23,641
Total Medical Care Programs	194,272	197,650	197,900	204,574	216,401	235,619	245,137	254,230	257,655	267,930
Medical and Prosthetic Research	3,234	3,206	3,193	3,175	3,142	3,226	3,352	3,526	3,496	3,445
DoD-VA Health Care Sharing Incentive Fund				88	126	126	127	132	151	165
Joint DoD-VA Medical Facility Demonstration Fund								479	1,957	2,016
Canteen Service Revolving Fund	2,890	2,952	2,965	2,953	3,008	3,170	3,246	3,274	3,294	3,307
Total Medical Programs	200,395	203,808	204,058	210,790	222,677	242,141	251,862	261,641	266,554	276,863
Construction Programs										
Construction, major projects	0	6	0	0	0	0	0	0	0	0
Construction, minor projects	36	50	19	17	19	12	8	0	0	0
Total Construction Programs	36	56	19	17	19	12	8	0	0	0
General Operating Expenses										
Veterans Benefits Administration	12,795	12,582	12,810	13,504	14,965	17,123	19,605	19,990	20,325	21,130
General Administration	2,431	2,499	2,589	2,901	2,420	2,591	2,753	2,941	2,972	3,117
Total General Operating Expenses	15,226	15,081	15,399	16,405	17,385	19,714	22,358	22,931	23,297	24,247
Information Technology**	**	**	**	**	6,348	6,710	6,853	7,004	7,311	7,362
National Cemetery Administration	1,492	1,523	1,527	1,541	1,512	1,622	1,670	1,676	1,652	1,690
Office of Inspector General	434	454	480	470	448	509	553	633	637	633
Franchise Fund	706	688	688	726	702	769	822	1,054	1,020	1,089
Supply Fund	421	414	435	426	407	504	699	803	896	957
Total Department of Veterans Affairs	218,710	222,024	222,605	230,375	249,498	271,981	284,825	295,742	301,366	312,841

* Reflects change in the Veterans Health Administration appropriations structure as enacted in 2004.

** Reflects change in the IT appropriations structure as enacted in 2008.

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Annual Performance Plan

Department of Veterans Affairs FY 2015 Annual Performance Plan (APP)

Category <i>VA Capability</i> Model v3.0 (VACM)	Capability Performance Indicator Outcome	Performance Indicators & Milestones Agency Priority Goals (bold)	Performance Measures Data							
			Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Health Administration - Medical Services										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percentage of total HUD-VASH vouchers that resulted in a Veteran achieving resident status. (Supports Agency Priority Goal)	88%	100%	92%	92%	90%	90%	90%	90%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	(*) HOMELESSNESS: Number of homeless Veterans. (on a single night). (Supports Agency Priority Goal)	76,329	67,495	62,619	57,849	TOTAL: 43,000 Unsheltered: 11,500	TOTAL: 27,500 Unsheltered: 4,000	TOTAL: 12,500 Unsheltered: 0	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of Veterans discharged from VA funded residential treatment programs-Grant and Per Diem (GPD) or Domiciliary Care for Homeless Veterans (DCHV) who discharge to permanent housing. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	65%	65%	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of Veterans admitted into the HUD-VASH program who meet criteria for chronic homelessness. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	65%	65%	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	HOMELESSNESS: Percent of unsheltered Veterans moved out of unsheltered status within 30 days of engagement. (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	80%	80%	TBD	TBD

**Department of Veterans Affairs
FY 2015 Annual Performance Plan (APP)**

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	<i>Performance Measures Data</i>								
		<i>Performance Indicators & Milestones Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
<i>Veterans Health Administration - Medical Services</i>										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	ACCESS: Percent of patients who use a VHA Virtual Care Modality. (New) (Agency Priority Goal)	N/Av	N/Av	N/Av	N/Av	30%	35%	40%	50%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Prevention Index V	91%	92%	94%	93%	94%	94%	94%	95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Clinical Practice Guidelines Index IV	92%	91%	94%	92%	93%	93%	93%	94%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new primary care appointments completed within 14 days of the create date for the appointment.	N/Av	N/Av	N/Av	47%	47%	51%	55%	66%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established primary care patients with a scheduled appointment within 14 days of the desired date for the appointment.	N/Av	N/Av	N/Av	93%	93%	95%	95%	95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new primary care appointments completed within 14 days of the create date for the appointment.	N/Av	N/Av	N/Av	47%	47%	51%	55%	66%

**Department of Veterans Affairs
FY 2015 Annual Performance Plan (APP)**

Category <i>VA Capability Model v3.0 (VACM)</i>	Capability <i>Performance Indicator Outcome</i>	Performance Measures Data									
		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)	
Veterans Health Administration - Medical Services											
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new primary care appointments completed within 30 days of the create date for the appointment. (New)	N/Av	75%	70%	72%	86%	88%	90%	100%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established primary care patients with a scheduled appointment within 30 days of the desired date for the appointment. (New)	N/Av	N/Av	N/Av	96%	96%	97%	98%	100%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new specialty care appointments completed within 30 days of the create date for the appointment. (New)	N/Av	72%	68%	68%	71%	73%	75%	100%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established specialty care patients with a scheduled appointment within 30 days of the desired date for the appointment. (New)	N/Av	N/Av	N/Av	96%	96%	97%	98%	100%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of patients rating VA health care as 9 or 10 (on a scale from 0 to 10)									
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Inpatient	64%	64%	64%	66%	67%	67%	68%	75%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Outpatient	55%	55%	55%	58%	59%	56%	57%	70%	

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		<i>Performance Indicators & Milestones Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target		
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)	
Veterans Health Administration - Medical Services											
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	The percent of Veterans being discharged from an inpatient Mental Health unit who receive outpatient mental health follow-up care within 7 days of discharge.	N/Av	N/Av	N/Av	68%	75%	80%	85%	85%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of new mental health appointments completed within 14 days of the create date for the appointment.	N/Av	N/Av	N/Av	66%	70%	73%	75%	82%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of established mental health patients with a scheduled appointment within 14 days of the desired date for the appointment.	N/Av	N/Av	N/Av	95%	95%	95%	95%	95%	
3. Management of Government Services (Resource Management)	3.2 Financial Management	Percent of NonVA claims paid in 30 days.	N/Av	79%	80%	90%	90%	90%	90%	90%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of Veterans who report "yes" to the Shared Decision-making questions in the Inpatient Surveys of the Health Experiences of Patients. (SHEP) (Measure being deleted after FY2014)	N/Av	N/Av	N/Av	74%	74%	Deleted	Deleted	Deleted	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of patients who responded "yes" on Patient Centered Medical Home survey questions that contribute to the Self-Management Support Composite (providers support you in taking care of your own health). (New)	N/Av	N/Av	N/Av	N/Av	Baseline	58%	59%	63%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of patients rating VA provider as 9 or 10 (on a scale from 0 to 10) on the Patient Centered Medical Home survey. (New)	N/Av	N/Av	N/Av	N/Av	Baseline	68%	69%	73%	
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of Veterans participating in telehealth. (Measure being deleted after FY 2014)	N/Av	N/Av	9%	11%	16%	Deleted	Deleted	Deleted	

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		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Office of Information Technology										
3. Management of Government Services (Resource Management)	3.4 Information and Technology Management	Number of Material Weaknesses	1	1	1	1	0	0		0
3. Management of Government Services (Resource Management)	3.4 Information and Technology Management	Percentage of on-time IT project delivery commitments achieved	89%	89%	80%	82%	80%	80%		80%
3. Management of Government Services (Resource Management)	3.4 Information and Technology Management	The enterprise VA American Customer Service Index for internal customer satisfaction with VA IT services	67	71	73	69	70	76		76
3. Management of Government Services (Resource Management)	3.4 Information and Technology Management	Achieve or exceed Service Delivery and Availability for enterprise systems	N/Av	N/Av	N/Av	N/Av	96%	97%		98%
National Cemetery Administration										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of applications for headstones and markers that are processed within 20 days for the graves of Veterans who are not buried in national cemeteries	74%	93%	88%	79%	70%*	90%		90%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of graves in national cemeteries marked within 60 days of interment	94%	93%	89%	95%	95%	95%		95%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of Veterans served by a burial option within a reasonable distance (75 miles) of their residence	88.1%	89.0%	89.6%	89.5%	89.6%	91.0%		96.0%

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		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)
National Cemetery Administration									
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who rate the quality of service provided by the national cemeteries as excellent	95%	95%	96%	96%	98%	98%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who rate national cemetery appearance as excellent	98%	98%	99%	99%	99%	99%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who would recommend the national cemetery to Veteran families during their time of need	98%	98%	99%	99%	99%	99%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of gravesites that have grades that are level and blend with adjacent grade levels	89%	91%	93%	94%	87%	87%	80%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of headstones and markers that are delivered undamaged and correctly inscribed	96%	95%	96%	96%	97%	97%	98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of headstones, markers, and niche covers that are clean and free of debris or objectionable accumulations	85%	82%	82%	84%	83%	83%	75%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of headstones and/or markers in national cemeteries that are at the proper height and alignment	67%	70%	69%	70%	68%	68%	63%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who agree or strongly agree that the quality of the headstone or marker received from VA was excellent	94%	95%	91%	90%	91%	92%	100%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.5 Memorial Services	Percent of respondents who agree or strongly agree that the quality of the Presidential Memorial Certificate received from VA was excellent	96%	94%	90%	89%	90%	91%	100%

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		Performance Indicators & Milestones Agency Priority Goals (bold)	Results History				Fiscal Year Targets		Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)
Veterans Benefit Administration - Disability Compensation									
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Disability Compensation and Pension Claims Inventory Over 125 Days (Supports Agency Priority Goal)	36%	60%	66%	58%	50%	0%	0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Disability Compensation Claims Inventory Over 125 Days (Supports Agency Priority Goal)	37%	62%	67%	59%	50%	0%	0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: National Accuracy Rate - Improve national claim-based rating accuracy for disability claims (Supports Agency Priority Goal)	84%	84%	86%	90%	94%	98%	98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: National Accuracy Rate - Disability Compensation Rating Claims -- Issue-Based (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	96%	97%	98%	98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	ACCESS: Number of Registered eBenefits Users (Supports Agency Priority Goal)	N/Av	1M Baselined	1.97M	3.06M	3.8M	5M	5M
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	ACCESS: Percentage of Disability Compensation Claims Received Electronically (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	2%	12%	20%	TBD
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	ACCESS: Number of Accredited Veterans Advocates Registered in the Stakeholder Enterprise Portal (New) (Supports Agency Priority Goal)	N/Av	N/Av	N/Av	1,000	2,000	3,500	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	National Accuracy Rate - Compensation Maintenance Claims	96%	97%	95%	95%	97%	98%	98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Percent of IDES Participants Awarded Benefits Within 30 Days of Discharge	N/Av	N/Av	31%	16%	80%	90%	90%

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		Performance Indicators & Milestones Agency Priority Goals (bold)	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Benefit Administration - Disability Compensation										
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Overall Customer Satisfaction Index Score (Compensation) (New)	N/Av	N/Av	N/Av	N/Av	Baselined	TBD		TBD
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	National Call Center Client Satisfaction Index Score	N/Av	N/Av	731	723	735	735		740
Veterans Benefit Administration - Pension Dependency and Inemnity Compensation, and Fiduciary Programs										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Disability Compensation and Pension Claims Inventory Over 125 Days (Supports Agency Priority Goal)	36%	60%	66%	58%	50%	0%		0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Original and Reopened Pension Claims Inventory Over 125 Days (Supports Agency Priority Goal)	N/Av	N/Av	34%	37%	20%	0%		0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BACKLOG: Percentage of Dependency and Indemnity Compensation (DIC) Claims Inventory Over 125 Days (Supports Agency Priority Goal)	N/Av	N/Av	41%	26%	20%	0%		0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Average Days to Complete - Pension Maintenance Claims	N/Av	N/Av	135	179	75	60		60
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Average Days to Complete - Original Survivors Pension Claims	N/Av	N/Av	231	251	150	90		90
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Average Days to Complete - Burial Claims	76	113	178	174	90	90		21

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		<i>Performance Indicators & Milestones Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
<i>Veterans Benefit Administration - Pension Dependency and Inemnity Compensation, and Fiduciary Programs</i>										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	National Accuracy Rate - Original and Reopened Pension Claims	96%	98%	98%	98%	98%	98%		98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	National Accuracy Rate - Pension Maintenance Claims	96%	97%	98%	98%	98%	98%		98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	National Accuracy Rate - Burial Claims	96%	97%	100%	N/Av	98%	98%		98%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	National Accuracy Rate - Fiduciary Work	85%	88%	86%	90%	92%	96%		98%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Overall Customer Satisfaction Index Score (Pension)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD		TBD
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Pension Call Center Client Satisfaction Index Score	N/Av	N/Av	N/Av	732	735	735		740
<i>Veterans Benefit Administration - Education</i>										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Average Days to Complete Original Education Claims	39	24	31	26	28	28		28
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Average Days to Complete Supplemental Education claims	16	12	17	10	14	14		14

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		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)
Veterans Benefit Administration - Education									
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Percent of Montgomery GI Bill or Post 9/11 GI Bill participants who successfully completed an education or training program	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Payment Accuracy Rate (Education)	95%	98%	98%	98%	98%	98%	98%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Education Call Center Client Satisfaction Index Score	N/Av	N/Av	N/Av	803	780	786	790
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Overall Customer Satisfaction Index Score (Education) (New)	N/Av	N/Av	N/Av	N/Av	Baseline	TBD	TBD
Veterans Benefit Administration - Housing									
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Rehabilitation Rate (General)	76%	77%	77%	68%	78%	78%	80%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Employment Rehabilitation Rate	73%	74%	73%	65%	77%	77%	80%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Accuracy Rate of Vocational Rehabilitation Program Completion Decisions	96%	97%	97%	97%	98%	98%	99%

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		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets			Strategic Target
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Veterans Benefit Administration - Housing										
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Veterans satisfaction with the Vocational Rehabilitation & Employment Program	N/Av	N/Av	N/Av	N/Av	Baseline	TBD		TBD
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Veterans' Satisfaction Level with the VA Loan Guaranty Program	N/Av	N/Av	N/Av	N/Av	Baseline	TBD		TBD
Veterans Benefit Administration - Vocational Rehabilitation (VR&E)										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Rehabilitation Rate (General)	76%	77%	77%	68%	78%	78%		80%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.3 Education Benefits	Employment Rehabilitation Rate	73%	74%	73%	65%	77%	77%		80%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Accuracy Rate of Vocational Rehabilitation Program Completion Decisions	96%	97%	97%	97%	98%	98%		99%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Veterans satisfaction with the Vocational Rehabilitation & Employment Program	N/Av	N/Av	N/Av	N/Av	Baseline	TBD		TBD
Veterans Benefit Administration - Insurance										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Rate of high Client Satisfaction Ratings on Insurance services delivered	95%	95%	95%	93%	95%	95%		95%

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		Performance Indicators & Milestones <i>Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Board of Veterans Appeals										
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Appeals Resolution Time (Average Number of Days from NOD to Final Decision)	656	747	903	912	625	625		N/A
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BVA Cycle Time (Excludes Representative Time) (Average Number of Days)	99	119	117	135	140	140		104
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	Percent of Total Hearings that are Conducted via Video Conference	29%	29%	40%	51%	50%	50%		50%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.1 Income Security	BVA Pending Inventory	21,112	20,287	25,599	47,159	56,930	69,560		21,000
General Administration - Departmental Staff Offices										
3. Management of Government Services (Resource Management)	3.5 Supply Chain Management	Percent of total procurement dollars awarded to service-disabled Veteran-owned small businesses (OSVA-OSDBU)	20.0%	18.3%	20.0%	19.4%	10.0%	10%		10%
3. Management of Government Services (Resource Management)	3.5 Supply Chain Management	Percent of total procurement dollars awarded to Veteran-owned small businesses (OSVA-OSDBU)	23.0%	20.5%	22.0%	21.7%	12.0%	12%		12
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.4 Workforce and Economic Development	Percent of complete verification applications in the Vendor Information Pages (VIP) database that are processed within 60 days (OSVA-OSDBU)	N/Ap	93.0%	95.0%	100.0%	95.0%	95%		95%

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			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
General Administration - Departmental Staff Offices										
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Medical Malpractice Torts Adjudicated within 180 days (Revised) (Veteran-Centered) (OGC)	38.5%	54.2%	62.9%	79.1%	79.1%	79.1%		80%
3. Management of Government Services (Resource Management)	3.1 Administrative Management	Percent of current year (CY) electricity consumption generated with renewable energy sources. (OM)	7%	5%	13%	14%	15%	16%		20%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Commercial Small Business Payment Timeliness (% of Small Businesses paid within 15 days of receipt of proper documentation) (OM)	N/Av	N/Av	87%	95%	94%	94%		94%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Overall Commercial Vendor Payment Timeliness (% of Commercial Vendors paid within 15 days of receipt of proper documentation) (OM)	N/Av	N/Av	51%	86%	84%	N/A		N/A
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Percent of Veterans or beneficiaries who contacted VA Debt Management Center's toll-free phone line without receiving a busy signal (OM)	5%	74%	90%	99%	98%	99%		99%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.4 Workforce and Economic Development	Percent of employees in mission critical and key occupations who participated in a competency-based training program within the last 12 months (HR&A)	N/Av	50.5%	49.2%	43.3%	45.0%	60.0%		75.0%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.4 Workforce and Economic Development	Percent of Title 5 employees hired through competitive examining process within 80 days. (HR&A)	45.95%	48.0%	51.0%	55.0%	59.0%	62%		70.00%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.4 Workforce and Economic Development	Percentage of VA employees who are Veterans (HR&A)	30.00%	31.0%	32.0%	32.0%	35.0%	40%		40%

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		<i>Performance Indicators & Milestones Agency Priority Goals (bold)</i>	Results History				Fiscal Year Targets		Strategic Target	
			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
General Administration - Departmental Staff Offices										
2. Support Delivery of Services (Operations Support)	2.6 Public Affairs	Percent of visitors to VA's website that indicated that they are satisfied/highly satisfied with information presented (OPIA)	N/Av	67%	67%	73%	77%	77%		80%
2. Support Delivery of Services (Operations Support)	2.6 Public Affairs	Increase percent of Veterans aware of using benefits, reached through advertising and marketing efforts (OPIA)	N/Av	N/Av	5%	10%	10%	15%		15%
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Percent of facilities customers that are satisfied with services being provided (OALC)	N/Av	85%	83%	82%	85%	85%		90%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of major projects and/or phases transferred to the VA facility upon construction completion in the quarter identified. (New) (OALC)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline		90%
1. Services for Veterans and Eligible Beneficiaries (Purpose of VA)	1.2 Health Care	Percent of projects transferred to the VA facility upon lease acceptance in the quarter identified. (New) (OALC)	N/Av	N/Av	N/Av	N/Av	N/Av	Baseline		90%
Office of Inspector General										
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Number of reports (audit, inspection, evaluation, contract review, and CAP reports) issued that identify opportunities for improvement and provide recommendations for corrective action	263	301	299	349	280	290		325
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Number of arrests, indictments, convictions, criminal complaints, pretrial diversions, and administrative sanctions	1,929	1,939	2,683	2,491	2,000	2,100		2,500

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			2010	2011	2012	2013 (Final)	2014 (Final)	2015 (Pres Bud Request)	2016 (Advance Approp. Request)	2020 (Target)
Office of Inspector General										
2. Support Delivery of Services (Operations Support)	2.1 Control and Oversight	Monetary benefits (dollars in millions) from audits, investigations, contract reviews, inspections, and other evaluations	\$1,914	\$7,122	\$3,477	\$3,589	\$1,900	\$1,900		\$2,500
2. Support Delivery of Services (Operations Support)	2.2 Internal Risk Mgmt & Mitigation	Return on investment (monetary benefits divided by cost of operations in dollars)	20 to 1	76 to 1	36 to 1	36 to 1	18 to 1	18 to 1		20 to 1
		Percentage of:								
2. Support Delivery of Services (Operations Support)	2.4 Regulatory Development	Prosecutions successfully completed	97%	99%	94%	94%	94%	94%		95%
2. Support Delivery of Services (Operations Support)	2.4 Regulatory Development	Recommendations implemented within 1 year to improve efficiencies in operations through legislative, regulatory, policy, practices, and procedural changes in VA	86%	87%	87%	81%	90%	90%		95%
2. Support Delivery of Services (Operations Support)	2.4 Regulatory Development	Recommended recoveries achieved from postaward contract reviews	N/Av	100%	100%	100%	96%	96%		98%
		OIG Customer satisfaction survey scores (based on a scale of 1 - 5, where 5 is high):								
2. Support Delivery of Services (Operations Support)	2.2 Internal Risk Mgmt & Mitigation	Investigations	4.9	4.9	4.9	5.0	4.5	4.5		5.0
2. Support Delivery of Services (Operations Support)	2.2 Internal Risk Mgmt & Mitigation	Audits and Evaluations	4.0	4.4	4.0	3.9	4.0	4.0		5.0
2. Support Delivery of Services (Operations Support)	2.2 Internal Risk Mgmt & Mitigation	Healthcare Inspections	4.6	4.6	4.4	4.5	4.3	4.3		5.0
2. Support Delivery of Services (Operations Support)	2.2 Internal Risk Mgmt & Mitigation	Contract Review	4.7	4.8	4.7	4.7	4.2	4.2		5.0

Footnote(s):

(* Based on January Point-in-Time (PIT) count results for previous FY investments. There is a lag in reporting this measure, the PIT count is reported following the end of the fiscal year to ensure the efforts and investments of the full year are reflected.

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Selected Facilities by Type

Selected VA Facilities by Type (as of December 2013)

Type of Facility	Number
Domiciliary Rehabilitation Treatment Programs - As of September 30, 2013	102
Geriatric Research, Education, and Clinical Centers	19
Health Administration Management Center	1
Independent Outpatient Clinics	6
Insurance Center	1
Memorial Service Networks	5
Mobile Clinics	11
Nursing Home Units	133
Orthotic and Prosthetic Services on-site stations	78
Prosthetic and Sensory Aids Restoration Clinics	3
Regional Loan Centers	9
Appeals Management Center	1
Regional Offices	56
Regional Pension Management Centers	3
Regional Education Processing Offices	4
VA Hospitals	152
VA National Cemeteries	131
VA Outpatient Clinics - As of September 30, 2013	820
Vet Centers - As of September 30, 2013	300
Mobile Vet Centers - As of September 30, 2013	70
Veterans Benefits Administration Area Offices	4
Veterans Integrated Service Networks (VISNS)	21

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