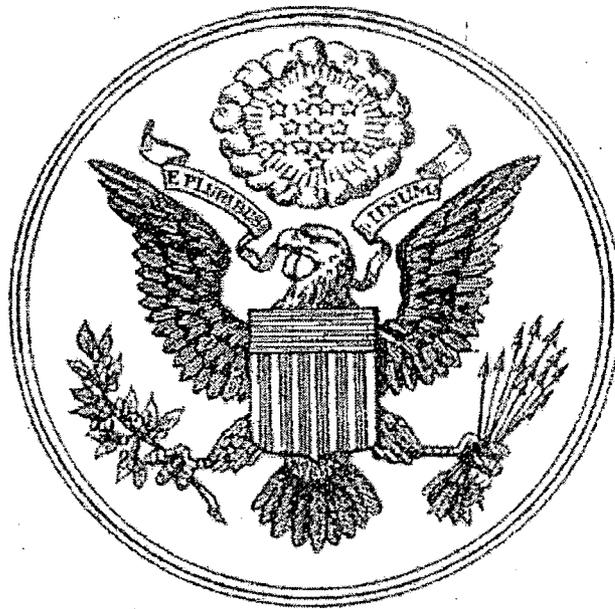


A History of the U.S. Department  
of  
Veterans Affairs  
During the Clinton Administration  
1993-2001



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Washington, DC  
2000

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## Foreword

In 1992, President Clinton became the first non-veteran elected to the Presidency since World War II. Throughout the decade, the number of members of Congress who had served in the military continued to diminish. Yet, the sensitivity of President Clinton's Administration toward veterans and support for them through the Department of Veterans Affairs grew throughout the period.

President Clinton appointed a seasoned and committed "veterans' advocate" as his first Secretary of Veterans Affairs. Jesse Brown, a combat-disabled Vietnam veteran who had spent a career as a veterans service organization claims officer and leader, set the stage for an era of activism and initiative on behalf of veterans within the Department of Veterans Affairs.

This manifested itself in virtually all his speeches and interviews, as he stated in remarks before the National Press Club on May 13, 1993, "... I am *first, foremost*, and I *always will be* -- an advocate for veterans. *That* will not change."

Early in his administration, President Clinton presided over the nation's commemoration of the 50<sup>th</sup> anniversary of the landing at Normandy in World War II. At that time, World War II veterans comprised more than half the population of America's living veterans. They also presented the challenge of an aging veteran population.

President Clinton spoke of their heroic deeds June 6, 1994, as he recalled the sacrifices of America's soldiers, sailors, marines and airmen as they assaulted the beaches of the mainland across the English Channel to gain a toehold in France. The President said, "Today, many of them are here among us. Oh, they may walk with a little less spring in their step and their ranks are growing thinner, but let us never forget -- when they were young, these men saved the world."

As the Clinton Administration ends, that "greatest generation" of veterans is passing from the scene at an average rate of some 1,000 veterans a day, leaving Vietnam veterans as the largest segment of our veterans population.

Changing demographics -- the rapid growth in the numbers of elderly veterans and the growing dominance of middle-aged Vietnam veterans -- have been primary forces in shaping VA history during the past eight years.

In 1993, the veteran population was estimated at 26.8 million. By 2000, that number had dropped to 24.4 million. As more veterans reached retirement age from their civilian occupations there began a migration to more temperate climates and the burden of health care shifted from inpatient to outpatient.

To meet the needs of this shifting veteran population, VA health care was reinvented from an antiquated system of decentralized hospitals to a coordinated system of 22 health care networks providing all eligible veterans an integrated service plan delivered through accessible community clinics backed by medical centers.

The number of hospitals remained constant at 172 but the number of Community Based Outpatient Clinics had more than tripled to over 700 with more planned for the future. This was part of a massive transformation of VA health care delivery started in 1995 that has become a prime example of the manner in which health care will be delivered throughout the nation. At the same time legislation to open eligibility for health care to all veterans opened the doors for health care to all veterans. The number of veterans receiving health care benefits has risen from 2 million in 1993 to more than 3.7 million in the year 2000.

Most veterans are introduced to VA through the Veterans Benefits Administration (VBA) where they apply for eligibility for compensation and pensions, education, home loans, vocational rehabilitation, health care and burial benefits.

VBA began the decade faced with increasing numbers of claims filed by aging veterans with multiple disabling conditions. Working through claims backlogs exacerbated by full involvement of the Court of Veterans' Appeals (now known as the Court of Appeals of Veterans Claims) in the claims process VBA was concurrently challenged by landmark legislation granting presumptive benefits to potentially millions of Vietnam and Gulf War veterans. At the same time, VBA sought new ways to better process claims through functional consolidation, more sophisticated automation, and direct electronic links to individual veterans through emerging online technologies. This has been a decade of challenge for VBA and the veterans' claims process.

These daunting challenges, however, led to criticism of the process. As this administration ends, many of these challenges have been addressed and the Department continues to work toward a balanced approach of determining benefits eligibility.

Nowhere in VA have the forces of time and demographic change been more evident than in the increasing demand for burial benefits. National Cemetery Administration (NCA) planners were determined to come to grips with the burgeoning demand for gravesites in national cemeteries early in the Clinton Administration. Their plans, with congressional and White House support, ushered in a period of the greatest expansion of veterans' cemetery space in this country since the Civil War. Five new national cemeteries opened during this eight-year period. VA acquired additional land adjacent to some national cemeteries to extend their respective periods of service to veterans and their families.

VA also increased the number of gravesites by encouraging and enabling the growth of state veterans cemeteries through an expanded federal grants program that now provides 100 percent federal funding for the establishment, expansion and improvement of state veterans cemetery.

As the number of World War II veterans decreased, a new generation of Vietnam and Gulf War veterans faced their own challenges, and VA took significant steps to help meet them.

Research continued on the long-term effects of Agent Orange on veterans who served in Southeast Asia during the Vietnam War. VA proposed presumptive compensation relief for a number of disabling conditions associated with dioxin exposure, such as Chloracne, non-Hodgkin's lymphoma, soft tissue sarcoma, Hodgkin's disease, prostate cancer, and diabetes.

America's newest generation of wartime veterans came home triumphant from the Gulf War thankful for a short and decisive victory. Nagging reports of health problems persisted, however, and VA, hoping to prevent a repeat of the Agent Orange debates and uncertainties a generation before, took steps to meet these veterans' needs. Presumptive eligibility for medical care, research, cooperation with DoD, the Gulf War registry and regular communications with Gulf War veterans were among the early steps taken by VA to help this group of veterans.

By the end of the decade, VA was providing health care and benefits to more veterans and veterans' dependents than any time in American history. VA's annual budget grew from \$36 billion in FY 1993 to nearly \$48 billion in FY 2001, an increase of about 33 percent. More than half of the budget is mandated as entitlement benefits to veterans and their families. The remaining funds are known as discretionary funds. The vast majority of these funds provide health care to veterans. Less than 10 percent of the discretionary funds cover administrative costs and modernization of the information technology infrastructure needed to handle growing workloads effectively and efficiently.

In support of the Administration's desire to streamline the federal workforce and the manner in which services are delivered, VA changed its organizational structure and reduced the number of employees while expanding health care services to veterans.

VA led the way in adopting the Administration's philosophy of reinventing the way government provides services. The New York VA Regional Office was presented Vice President Al Gore's first Hammer Award for achievements in reinventing government operations to cut red tape, improve service and save money.

"One VA" became management's guiding philosophy, encouraging employees to cross organizational barriers and come up with new ways to provide seamless service to all veterans, regardless of their specific needs. The drive to become a "veteran-focused" VA was reflected in the Department's first five-year strategic plans developed during this period, with five strategic goals, each related to meeting veterans' needs, driving the objectives and performance standards of each program, office, and facility down to the last employee.

This report expands on the work of VA's dedicated employees and leaders as VA became highly focused on the needs of veterans and their families, improved delivery of services and management of resources, and strove mightily to meet the commitment of its motto "to care for him who shall have borne the battle and for his widow and his orphan."

## Office of the Secretary

The Secretary of the Department of Veterans Affairs is the Chief Executive Officer for the Department and is responsible to the oversight and execution of all programs and benefits authorized for veterans and their families by Congress.

The Office of the Secretary is comprised of the Secretary, the Deputy Secretary, a Chief of Staff, and a small staff of individuals providing support to the Secretary and Deputy Secretary.

There are three major administrations within the Department of Veterans Affairs that provide services directly to veterans and their families. They are the Veterans Health Administration, Veterans Benefits Administration and National Cemetery Administration.

Six Assistant Secretaries responsible for various elements within the Department support the Secretary of Veterans Affairs. They are Financial Management, Information and Technology, Planning and Policy, Human Resources and Administration, Public and Intergovernmental Affairs, and Congressional Affairs.

There are nine offices directly attached to the Office of the Secretary having responsibilities that deal with special concerns. They include General Counsel, Inspector General, the Board of Veterans' Appeals, the Board of Contract Appeals, Office of Small and Disadvantaged Business Utilization, Center for Minority Veterans, Center for Women Veterans, Office of Employment Discrimination Complaint Adjudication and Special Assistant for Veterans Service Organizations Liaison.

The appointment of Jesse Brown as the first African-American veteran to serve as Secretary of Veterans Affairs marked the beginning of a period of strong advocacy for veterans. Secretary Brown communicated to all VA employees that they would "put veterans first" in everything they did on behalf of the Department. He also spoke of his role as Secretary for Veterans Affairs. As he stated in remarks before the National Press Club on May 13, 1993: "I am first, foremost, and I always will be an advocate for veterans. That will not change."

Among his most significant speeches were:

- An August 30, 1993, speech at a special ceremony, in which he marked the 75<sup>th</sup> Anniversary of World War I with the inauguration and presentation of a special medal honoring the 4.7 million Americans who served during that conflict in remarks delivered at Wheaton, IL.
- An October 17, 1994, speech, before the U.S. Court of Veterans' Appeals Third Judicial Conference, where he took great exception to allegations presented by Chief Judge Frank Q. Nebeker earlier in the day.
- A June 25, 1995, speech dedicating the West Palm Beach VA Medical Center, the first new medical center constructed since 1973.

- A November 8, 1995, speech in Los Angeles before 5,000 invited guests in tribute to Japanese-American veterans, recognizing their patriotism and sacrifices during World War II in spite of the internment of many of their family members.
- A May 28, 1996, White House news conference, at which he announced recommendations to the President on a new policy on the association between Agent Orange and prostate cancer, acute and subacute peripheral neuropathy, and spina bifida in children of Vietnam veterans. The President agreed that these should be added to the seven diseases already presumptively associated with exposure to Agent Orange.

In 1994, Secretary Brown accompanied President Clinton to France to commemorate the 50<sup>th</sup> anniversary of the landing of allied troops at Normandy during World War II. On June 6, 1994, in remarks delivered at the U. S. National Cemetery above Omaha Beach, President Clinton reminded the world of the sacrifices of America's veterans when he said --

“Today, many of them are here among us. Oh, they may walk with a little less spring in their step and their ranks are growing thinner, but let us never forget – when they were young, these men saved the world.”

The Honorable Togo D. West, Jr. replaced Secretary Brown on January 3, 1998. In his speeches, Secretary West continued the emphasis on the importance of veterans to our nation. His significant speeches included:

- The dedication of VBA's Veterans Museum in New York City, where he first described his concept of VA's mission and the role of VA employees in fulfilling that mission.
- A September 26, 1998, speech in Montfaucon, France, at an American battlefield ceremony as part of the observances of the 75<sup>th</sup> anniversary of the Battle of the Meuse-Argonne, the major American campaign of the First World War. He spoke of the men buried at the cemetery, and what they had given up on behalf of their country.
- A June 25, 2000, speech in Seoul, Korea, before 20,000 people, representing President Clinton at ceremonies in Korea observing the 50<sup>th</sup> anniversary of the beginning of the Korean War. Secretary West spoke of the sacrifices Allied forces had made during the war, and warmly welcomed new initiatives towards peace under way between the governments of North and South Korea.

Secretary West was assigned by the President to head the official presidential delegation traveling to Korea for the 50th Anniversary of the Korean War. The event, hosted by the Korean government, was held in Seoul, on June 25, 2000, with similar commemorations held in Washington, D.C., and hosted by the President of the United States. Secretary West was joined by Congressman, Charles B. Rangel (D-15-NY), a Korean War veteran, members of Congressman Rangel's unit which served in the Korean front, and other Korean War veterans representing all the services. The Korean Minister of Defense Seong Tae Cho invited Secretary West to represent all allied nations at the wreath laying ceremony at the Tomb of the Unknown Soldier at the National Cemetery in Seoul. Secretary West also represented the allied delegations at the main ceremony held at the Korean War Memorial following the wreath laying

ceremony. He and Korean President Kim Dae Jung addressed an audience of foreign dignitaries and Korean War veterans from all 21 allied nations that participated in the conflict.

The following day, Secretary West, Congressman Rangel and the U.S. Ambassador to Korea met with President Kim who had recently returned from a historic meeting with Chairman Kim Jong-il in Pyongyang, North Korea. President Kim provided details of the historic Summit Talks and stressed the importance of cooperation between Korea and the United States for the improvement of relations with North Korea. The Secretary also met with the Korean Minister of Defense to expound on some of the issues raised by President Kim's historic visit and the status of U.S. forces in South Korea.

In September 1998, Secretary West represented President Clinton at a commemoration ceremony at the Meuse-Argonne American Cemetery near Verdun, France. The ceremony celebrated the 80<sup>th</sup> anniversary of the U.S. participation in the area during World War I. Secretary of the Army Louis Caldera joined Secretary West. In addition to remarks delivered at the cemetery, Secretary West participated in a luncheon in Verdun and toured parts of the battlefield in the surrounding area.

Early in the Clinton Administration, Deputy Secretary Hershel Gober was named as the President's personal representative to lead delegations on four trips to Southeast Asia to meet with officials representing the governments of Vietnam, Laos and Cambodia. These trips were intended to open the way for exchange of information of missing American servicemembers. The level of cooperation of the host governments resulted in improved cooperation in field recovery efforts.

As Acting Secretary in both 1997 and 2000, and Deputy Secretary at other times in the past eight years, Mr. Gober made hundreds of speeches on behalf of the Department. Four speeches he gave at One VA conferences during 1999, however, perhaps best summarized his legacy to VA, and his vision for the Department's future.

In April 2000, in a video report broadcast nationally by satellite to VA employees, Mr. Gober said:

"Key to the success of One VA is that it becomes a critical element of how we think about our Department in relationship to veterans. When the leadership of any VA facility or the managers of any team within VA find obstacles to success they need to find ways to help each other resolve the problem.

"It can be as simple as having One VA as an agenda item for any meeting that takes place. Asking each other what else can we do? How far can we expand our services? Where can we combine resources to better serve veterans? What can we do jointly that is mutually supportive of our common goal of service?

"When we begin to think in those terms in all that we do we will have taken a giant step in bringing about the VA that veterans want to see - One VA."

## Veterans Health Administration (VHA)

During the Clinton Administration, the Veterans Health Administration (VHA) underwent the most dramatic metamorphosis of its history. The sweeping transformation was so outstanding that it was and continues to be chronicled in publications targeted to business, management, and health care providers as a model of improved performance for all organizations, private and public.

The transformation entailed a 180-degree turnaround from a monolithic, military-style top-down organization, into 22 Veterans Integrated Service Networks (VISNs). At the same time, headquarters substantially reduced its staff and instituted a new focus -- providing support to the field. This new management structure has placed emphasis on decentralizing day-to-day operations, pooling and aligning resources with local needs, and improving service to veterans. VISN design reflected patient referral patterns among VHA hospitals and other service organizations. Resource allocation became dependent on capitation, i.e., the number of veterans served rather than "historical" costs. This new system eliminated layers of bureaucracy, and emphasized collaboration and efficiency. Case management was applied, with the patient assigned to a dedicated physician or physician-led team of caregivers, responsible for providing a continuum of care.

As part of the transformation of the veterans health care system, a strategic management framework was designed that clearly articulated the core values of the organization, its goals and missions and how well it performed. This initiative ensured that the medical centers, headquarters, clinical and administrative service line managers, clinical teams and all staff would be able to link their activities to the organization's mission and would align the organization to accomplish its goals. Several tools were used in this effort, including establishing 10 strategic goals for 2002. These clearly understood performance expectations, many of which were incorporated into performance agreements with the top field management, were instrumental in helping to achieve a rapid transformation. They have recently been updated and reflected in the "6 for 2006."

VHA's journey to date has been described in three documents appropriately titled *Journey of Change I (1997)*, *Journey of Change II (1998)*, and *Journey of Change III (1999)*. These documents were crucial for communicating the mission, vision, and goals to all levels of employees. Never before had VHA had such a clear roadmap for all to follow. *Journey of Change I* introduced the strategic targets built around a strategic framework consisting of the mission, goals, and domains of value articulated in the *Prescription for Change*.

Continuing refinements to the strategic direction outlined in *Journey of Change II* included a full integration with the VA Strategic Plan and a focus on critical strategic initiatives. *Journey of Change III* continued the documentation of VHA's progress and integrated network strategic plans with related national goals and strategies.

Another major force in the transformation was the implementation of the Performance Measurement System. This system was initiated to meet challenges of improving health care quality, patient and stakeholder satisfaction, and economic efficiencies. The foundation of the Performance Measurement System is broad, statistically reliable, ongoing measurement of

performance objectives. Senior managers are held accountable through annual performance agreements containing explicit goals. A Performance Measurement Workgroup was established to provide a team approach to coordination of measures. The Performance Measurement System articulates Veterans Health Administration's domains of value: clinical quality, access, satisfaction, cost effectiveness, functional status, and community health. Establishment of a consistent measurement system has allowed VA to demonstrate that it delivers high quality care in compassionate and courteous manner; that VA care frequently surpasses governmental goals and sets national benchmarks; and VA care results in positive outcomes for our patients.

VHA today, in addition to its model transformation (and perhaps because of it), leads the nation in the areas of patient safety, quality emphasis, and dissemination of innovations and lessons learned. Substantial improvements were made on a number of important performance indicators.

To better meet the changing health care needs of veterans, VHA initiated a number of programs to encourage field facilities and leaders to shift the focus in health care delivery to ambulatory care. This change in focus has resulted in increased numbers of veterans served by VA as well as reduced costs associated with early medical treatment and intervention. Additionally, the change in operational doctrine has brought VHA into compliance with the best industry practices of the private health care delivery industry. Outpatient-based care, including outpatient surgeries, has dramatically increased, resulting in an increase of outpatient visits by 44 percent and a decrease in acute bed days of care by 68 percent during 1994-1999. The shift to outpatient care reduced the need for inpatient beds and correspondingly increased the need for ambulatory care space throughout the health care industry. VA responded by refocusing construction expenditures on ambulatory care. From FY 1993 through FY 2000, \$1,329,918,000 has been utilized for ambulatory-care focused projects.

Access to care has also been enhanced through the expansion of primary care to the over 650 new community-based outpatient clinics. Telephone triage and advice programs were implemented at all hospitals.

The Feedback Center was created in 1993 to facilitate organizational movement at VA medical centers towards a patient-driven culture. Based on results of nationwide focus groups of veterans and their families to determine priorities for high quality care experiences, annual inpatient and outpatient patient satisfaction surveys were developed. Patient service standards were developed as well, and specialty surveys, such as for long-term care, have been added over the years. The surveys allow for comparisons with the non-VA sector of health care.

VHA is committed to providing both quality and timely care to the veterans enrolled in its health care system. In an effort to improve efficiency and measurement of quality of care, VHA developed a monitoring system and policy initiative to reduce waiting times for primary care medical appointments.

To create better ways of serving veterans with VHA's limited resources, some of the medical centers underwent facility integration, the combination of two or more facilities, and generally their various clinical and support operations were placed under single management. Another program to improve the delivery of health care to veterans was the Capital Asset Realignment for Enhanced Services program. This program establishes a process for review of

capital asset infrastructure and market demands to enhance delivery of services through improved alignment.

Enhanced-Use lease authority has allowed VA to develop cost-effective alternatives to traditional means of acquiring and managing its facility and capital holdings. This authority enables VA to lease underutilized VA property, on a long-term basis, to non-VA users for uses compatible with VA programs in return for obtaining facilities, services and/or money for VA requirements that would otherwise be unavailable or unaffordable. Since FY 1993, VA has used this program to significantly reduce costs and provide corresponding benefits to veterans, employees and local communities. To date, 18 Enhanced-Use leases have been awarded, winning five Hammer awards from the National Partnership for Reinventing Government. This program has resulted in over \$200 million of private investment into VA facilities with over \$2 billion anticipated in the next five years.

As part of the VA reorganization, the Office of Dentistry has completed re-engineering the Central Dental Laboratories. The number of laboratories has been reduced from four to two. Data from a two-year pilot study evaluating private sector costs compared to the same work done in VA demonstrated that VA was 30 percent more cost effective.

Other mechanisms to increase efficiency included the establishment of Consolidated Mail Outpatient Pharmacies and the development of a national formulary. This resulted in large savings in drug costs due to national contracts and more consistent care across the system.

VHA has a medical care budget of more than \$19 billion, approximately 180,000 staff and over 650 ambulatory care and community based clinics, 132 nursing homes, 40 domiciliaries, 206 readjustment counseling centers and various other facilities. Between FY 1993 and FY 2000, VA completed many facility construction projects. These included 12 clinical improvements, 3 domiciliaries, 11 nursing homes, 22 ambulatory care/outpatient clinics, 10 parking garages, 4 research additions, 7 seismic corrections, 12 medical center replacements, 17 general medical facilities, 5 regional offices and 11 cemetery major projects. Also, during this time, VHA received \$1.9 billion in funding for 58 major construction projects.

From 1997 to 1999, VHA reduced unique patient costs by 16 percent in constant dollars, while the number of treated patients increased by 24 percent.

VHA, the nation's largest integrated health care system, has four congressionally mandated missions: patient care, research, training, and medical emergency backup for the Department of Defense.

It was recognized that the use of evidence-based, clinical practice guidelines would have an appreciable impact on patient care. The development of National Clinical Practice Guidelines was initiated in 1995. Implementation of guidelines was incorporated into senior management's performance agreements. Guidelines were established for many high volume, high risk diseases. An Advisory Council on Guidelines was established to select and approve system-wide guidelines. National conferences on guidelines have been held. A joint effort between VA and the Department of Defense led to the development of more than a dozen clinical practice guidelines intended to assure quality and continuity of care.

VHA is uniquely positioned to serve as a national laboratory for finding and implementing ways to prevent health care errors and improve patient safety. VHA is in the vanguard of the efforts to improve patient safety, ensuring safe, high-quality care. In an effort to understand the issues and to act for patient safety, VHA has joined a public-private consortium of organizations with a shared interest and commitment to patient safety improvement through the National Patient Safety Partnership (NPSP) that was formed in 1997. One of the primary initiatives is to investigate not only accidents, but also close calls. The analysis of close calls provides the best opportunity to learn and institute preventive strategies, as they will unmask most system weaknesses without having to experience a tragedy. An Office of the Medical Inspector report helped raise the consciousness of VHA clinicians to the need to focus on prevention of adverse events. It also encouraged more, rather than less, reporting of untoward outcomes in order to study how to avoid these events in the first place. This has led to the development of new safety strategies and processes to improve patient safety and prevent future health care errors.

Another major patient safety initiative was the Bar Code Medication Administration (BCMA). This initiative increases efficiency in medication administration, improves medication administration accuracy, and provides online patient medication records. The Heartland Veterans Health Network (VISN) developed a software system that was modified to meet the general needs of all VA medical centers. The nationally released BCMA software enables users to electronically document medications at the bedside or other points of care.

In 1997, as a part of the "VHA Lessons Learned" Project, the Virtual Learning Center (VLC) was created. The VLC is an Intranet and Internet web site that provides a systematic mechanism for sharing informal knowledge, innovations, best practices, and safety lessons. The VLC is also a tool to save resources otherwise expended on reinventing solutions that already existed. The VLC facilitates the rapid sharing and adoption of innovations, successes, system redesign, and solutions throughout VA and makes information available, which was previously difficult, if not impossible, to obtain with phone calls or through e-mails.

VHA has initiated programs to address significant health issues such as Hepatitis C. Hepatitis C Virus (HCV) has a particular importance for VHA because the prevalence in VA's service population is substantially higher than in the general population. To address needs of HCV-positive patients, VA designated medical centers in Miami, FL and San Francisco, CA as Centers of Excellence to serve as research and education lynchpins of VA five-point strategic initiative to respond to HCV. The five-point strategic initiative includes: patient education; health care provider education; epidemiologic assessment; treatment and research. Additionally, VHA conducted a nationwide surveillance activity and tested over 26,000 veterans from across the country for HCV in a single day. The data collected from this sample will be utilized to assess risk factors and prevalence rates, and serve as a basis for VA's ongoing HCV planning.

VHA is the single largest direct care provider for homeless persons in the country, a critically important element in the nation's public safety net. Throughout the 22 VISNs, VA provides direct services such as outreach, case management, residential treatment, therapeutic work opportunities and assistance with permanent housing for homeless veterans and those at risk for homelessness. VHA has expanded the range of services available to homeless veterans through partnerships with other federal agencies, veterans service organizations, state and local governments and non-profit organizations. A National Dental Homeless Program has also been established. This office provides assistance nationally to any dental service that is interested in

developing a program of care for homeless veterans. This program has been instrumental in numerous homeless veterans receiving oral/dental care that has contributed positively to their rehabilitation process.

VA is leading the health care field in its pain management strategy, a system-wide approach to pain management to improve the care of patients with pain so that no patient cared for in VHA health care systems suffers from preventable pain. Pain management protocols and identifying pain as the fifth vital sign are some of the procedures being implemented. In addition the program includes a component for patient and Health Care Professional education.

VA Dentistry is actively involved in dental implantology as a leader in the field. One of the largest implant studies in the nation addressing case selection and success and failure rates was published. This study is providing data and information that will offer alternative treatment for patients who have experienced unsuccessful conventional oral rehabilitative therapy and will enhance the health and quality of life of numerous people. The results of these data contribute to the entire profession and impact nationally.

The Traumatic Brain Injury (TBI) Network of Care provides case-managed, comprehensive, specialized rehabilitation spanning the period from discharge from the acute surgical treatment unit until permanent living arrangements can be made. A significant number of these patients are referred to VA facilities from the military. The TBI continuum of care plan was accepted in 1993. TBI centers were established and programs began receiving accreditation from the Commission on Accreditation of Rehabilitation Facilities.

VHA recognized the aging of America's veteran population through the expansion of programs targeted for the elderly. For instance, the number of Geriatric Evaluation and Management (GEM) Programs were increased. GEMs provide both primary and specialized care services to a targeted group of elderly patients. An interdisciplinary hospice consultation team was established at each medical center and the number of hospice programs was increased. In addition, pilot programs were begun to provide contract adult day health care, homemaker, and home health services. Home Based Primary Care programs were also expanded.

A National Initiative for Seriously Mentally Ill (SMI) Veterans was begun in 1993. This program provides state-of-the-art diagnosis and treatment to improve the mental and physical functioning of SMI veterans through the continuum of inpatient, partial hospitalization, outpatient, and community care. Mental Illness Research, Education, and Clinical Centers (MIRECCs) were established in 1997 to generate new knowledge and improve care for patients with mental illness. Standardized clinical baseline assessment for substance abuse patients and Comprehensive Substance Abuse Treatments Guidelines and Algorithms were also developed.

The hypertension care improvement initiative serves to better control hypertension in veterans and supports VHA's position as a long-standing leader in clinical care, education, and research hypertension.

During this administration, prosthetic services have been expanded. There are nearly one million patients receiving prosthetics.

During this time telemedicine capability was developed. This technology is now used in some community based outpatient clinics. Telemedicine and home-care teleconsultation initiatives have also been implemented for spinal cord injury patients. In 1998 and 1999, the Vet Center program implemented the Vet Center-Linked Primary Care project. These initiatives make use of telemedicine technology in 20 Vet Centers to promote access to primary care for high-risk, under-served veterans closer to their respective communities.

Readjustment counseling in VA is provided through a national system of 206 community-based Vet Centers. There have been several initiatives to provide culturally sensitive services to high-risk minority veterans close to their homes. The Vet Center outstation, established in 1993 in Keams Canyon, AZ, on the Hopi Reservation was the first VA facility ever sited on reservation land and dedicated to serving the Native American veteran. Based upon the success of this effort, a second outstation was established in 1997 in Chinle, AZ, on the Navajo Reservation. In 1998 Readjustment Counseling Service (RCS) advanced this effort by opening its Vet Center outstation in Martin, SD, serving the Pine Ridge and Rosebud Reservations. The Vet Center outstation dedicated to serving the Cherokee in Tahlequah, OK, was authorized for implementation in 1999.

The Veterans Health Administration (VHA) has designated certain clinically related areas for "special program" status. Typically, special programs address illnesses or medical care specific to the service-connected disabled veteran population or are areas of special VHA expertise. Two special programs include Gulf War veterans and women veterans.

VA has initiated many programs to respond to the needs of the Gulf War veterans including scientific research, medical care, disability compensation, and outreach efforts. One of the initiatives included a revision of the Gulf War Registry Protocol to gather more exposure and health data from veterans. A National Survey of Gulf War Veterans was done as a means of evaluating the health and exposure of all Gulf War veterans. To explore new ways of treating Gulf War veterans and to improve veteran satisfaction with VA health care, five Gulf War Clinical Health Demonstration Projects were established. Outreach to Gulf War veterans includes a quarterly newsletter on Gulf War health and compensation issues; a corresponding Web Site, posters describing VA health care and compensation services; answers to frequently asked questions; Spanish language translations; and a toll free 800-Hotline number for Gulf War veterans inquiries. VA Gulf War Referral Centers were established to deal with Gulf War veterans with particularly difficult to diagnose illnesses. VA has supported legislation covering compensation of Gulf War veterans with undiagnosed illnesses – a VA first.

Significant accomplishments were also achieved in enhancing services in the area of health care for women veterans. VHA established eight comprehensive women veterans health centers and designed three Centers of Excellence in Women's Health. A new division within the National Center for PTSD was established to study the effects of sexual trauma experienced by women while serving in the military. VHA funded 66 sexual trauma counselors in Vet Centers. Maternity benefits were provided to women veterans and almost 200 babies were born in 1999. Ten grants for homeless women veterans were awarded. In 1994, the first Women's Health fellowships were established in VA.

Significant accomplishments were also achieved for other programs for special populations such as veterans exposed to Agent Orange, ionizing radiation, or cold injury; veterans with

AIDS; smoking prevention; and occupational health and safety. A series of Institute of Medicine (IOM) reports on health effects from exposure to Agent Orange were initiated to support VA compensation policy for Vietnam veterans. An IOM-supported study on dose reconstruction of Agent Orange exposure of Vietnam veterans was also initiated. Outreach to Vietnam veterans was provided through regular publications on Agent Orange health and compensation issues, a corresponding web site, and posters describing VA health care and compensation services for Vietnam veterans. Outreach also included Agent Orange Fact Sheets on illnesses associated with Agent Orange exposure, and Spanish translations of relevant materials.

VA is co-sponsoring a project with the Department of Health and Human Services to update and expand radioepidemiological tables used in the adjudication of compensation claims. The new tables will be in the form of computer software designated as the Interactive Radioepidemiological Program and are currently under review by an expert scientific panel.

The Veterans Health Administration and Veterans Benefits Administration have collaborated to issue a special Cold Injury Protocol Examination and Protocol Examination History for veterans who experienced freezing and non-freezing cold injuries in service, including frostbite and trench foot. Continuing medical education programs entitled "Cold Injury: Diagnosis and Management of Long Term Sequelae" also were issued in 1998 and 1999.

VA is recognized as the largest provider of HIV care in the United States (approximately 18,000 patients/year). In 1992, VA developed and implemented the VA Immunology Case Registry, the largest clinical database on HIV infection in the world. As of FY 2000, this database contained complete blinded (not linked to patient name) clinical and utilization information on nearly 50,000 patients with HIV infection. With the establishment of the Center for Quality Management in HIV Care in 1999, this Immunology Case Registry is being used as a tool to improve HIV care across all VA settings.

Research was supported through continual funding of four research centers on HIV and AIDS Infection. Research findings were applied to the clinical setting. In 1998, VA was able to demonstrate that the comprehensive care and case management model of HIV care reduces inpatient utilization. Education has been a major component of the program. A VA AIDS Information Center was established to provide up-to-date information about HIV/AIDS for VA staff and patients. In addition, VA conducted multiple HIV clinical update conferences to educate VA clinicians about treatment advances in this rapidly changing field. An HIV Prevention Strategic Plan (2000) has been developed. One of the goals in the plan included a National VA HIV Prevention Conference to provide training in HIV risk identification and interventions to front-line staff.

VHA has established smoking cessation clinics for veterans in each of its medical centers. Clinical Practice Guidelines were developed to monitor the effectiveness of each program.

Occupational health and safety has also received increased visibility. Some of the specific accomplishments in this area included the creation of a tracking system for occupational injuries and illnesses, Latex Allergy Evaluation Program, partnership agreement with OSHA in work site evaluation, and co-sponsorship with NIOSH, OSHA, and NIEHS on the IOM report, "Safe Work in the 21<sup>st</sup> Century".

The Environmental Epidemiology Service has initiated and completed a number of health studies. The areas for study included WWII veterans exposed to radiation or mustard gas, veterans who participated in atmospheric nuclear weapon tests (atomic veterans), Vietnam veterans potentially exposed to Agent Orange, women veterans who served in Vietnam, and Gulf War veterans. Studies were completed and published in peer-reviewed scientific journals.

Through the National Center for Ethics, VHA demonstrated its commitment to addressing the challenging ethical issues that arise in health care today. Throughout its history, ethics education and consultation have been some of the Center's major strengths. Each year the Center offers dozens of educational programs at sites around the country and provides consultation on ethical questions to personnel throughout VHA. Since 1994, the Center has been responsible for the development of three important policies: *Informed Consent*, *Do Not Resuscitate*, and *Advance Health Care Planning*.

During the Clinton Administration several laws were enacted which enhanced care for veterans. One law is the Veterans Health Care Eligibility Reform Act of 1996, P.L. 104-262. This realigned access to VA health care by basing care delivery on patient need and by expanding the spectrum of care available to eligible veterans. Prior to the enactment of this law, VA was required by law to have different rules for who could receive outpatient care and who could receive inpatient care. P.L. 104-262 eliminated the distinctions between eligibility for inpatient care and eligibility for outpatient care. It also required most veterans to enroll in the VA system in order to receive care. By September 1999, VA had enrolled about 17 percent of the total veteran population. About 22 percent of those enrolled were new enrollees (veterans who had not received care between October 1, 1995, and September 30, 1998). Eligibility reform has brought about some of the most significant changes since the creation of the veterans health care system. These changes have helped VA provide the right care, at the right time, in the right place.

While Public Law 104-262 removed restrictions on the site of care and has resulted in improved access to care, it did not address the difficult issue of eligibility for and prioritization of long term care. On November 30, 1999, Congress enacted Public Law 106-117, the Veterans Millennium Health care and Benefits Act. The long-term care provisions of the Millennium Act build on the recommendations of the Advisory Committee and address the discretionary nature of long-term care in VA. The law also expanded reimbursement for emergency treatment in non-Department of Veterans Affairs facilities.

In 1993, as part of VA's extension of services to women veterans under Public Law 102-585, RCS Vet Centers were identified by VHA for implementation of a sexual trauma counseling program for women veterans experiencing the traumatic aftermath of sexual assault and/or harassment during their active military service. Resources were distributed to staff approximately 60 Vet Centers across the nation with a qualified mental health professional with specialized training in sexual trauma counseling. Subsequent legislation passed in 1994 authorized VA to provide these services on a gender-neutral basis.

Through passage of Public Law 104-262 in October 1996, Congress extended eligibility for Vet Center services to any veteran who served in the military in any war, or in an area during a period in which armed hostilities occurred. This law authorized Vet Centers to serve all war veterans, thereby adding World War II and Korean War veterans to the list of eligible veterans.

VA had now been authorized to provide timely outreach and PTSD counseling through its Vet Centers to all eras of returning war veterans.

Public Law 105-33, the Balanced Budget Act of 1997, extended all co-payment authority and provisions for billing of insurance carriers for Non-Service Connected treatment for Service Connected Veterans. This permitted service-connected disabled veterans to receive health care in VA facilities for non-service connected conditions and have VA bill their private insurance carrier. In addition, it established a Medical Care Collections Fund and authority to establish reasonable charges for non-service connected medical treatment. The law allowed VA to retain health collections.

During the Clinton Administration, VHA enhanced and improved information technology throughout VA medical facilities by creating and incorporating many new innovations and technologies. The veterans benefited directly by improvements in the quality and timeliness of service throughout all VHA medical care facilities. Outreach to both veterans and employees were vastly improved through the use of updated and integrated automated systems and techniques. In 1996, VistA (Veterans Health Information Systems and Technology Architecture) was introduced. VistA is built on a client-server architecture, which ties together personal computers with applications by using graphical user interfaces at VHA facilities. VistA, which includes both "in-house" developed and commercially purchased software, provides automation for major clinical, management, and administrative functions throughout VHA. Some examples of significant improvements to VistA during this administration include:

- Occurrence Screen – Identifies events requiring follow-up review.
- Clinical Monitoring System – Allows users to design monitors that capture patient data to support quality assurance and management efforts.
- Prosthetics Module – Enhances patient care by expediting the determination of veteran eligibility, determining what prosthetic services and devices have been provided to the veteran in the past, and decreasing the time required to order, deliver, and/or-repair new and existing prosthetic devices.
- Women's Health Package – Assists in the management and assessment of women's health care.
- Automated Medical Information Exchange (AMIE-II) – Provides an information linkage between VHA and Veterans Benefits Administration and supports a shift away from paper documents.
- Computerized Patient Record System (CPRS) – A comprehensive suite of clinical applications that creates an electronic medical record to assist health care providers perform their clinical responsibilities.
- VistA Imaging – Captures clinical images, scanned documents and other non-textual files and makes them part of the patient's electronic medical record.

The Decision Support System (DSS) was implemented in 1994. This provided data on patterns of care, patient outcomes, and resource consumption. With DSS, users at medical centers are able to perform product line analyses, modeling, and clinical performance measurement. DSS supports an enhanced data-driven management process at VA medical centers aimed at improving the policies and practices of VA facilities in an evolving competitive health care environment.

The Government Computer Based Patient Record Framework Program originated as a joint VA and Department of Defense (DOD) response to satisfy a 1997 presidential directive to create a comprehensive, life-long medical record for all service personnel. In February 1999, VA, DOD, and the Indian Health Service signed a memorandum of agreement authorizing this collaborative effort. The goal was to achieve an easily accessible, yet secure life-long medical record for each of the nation's veterans, military personnel, their dependents, and Native Americans.

A newly redesigned veteran-focused VA web site made its debut on January 31, 2000. This web site was designed using feedback from all major stakeholders including veterans and family members, veterans service organizations (VSOs), business partners and congressional staff members. A great deal of emphasis was placed on accessibility issues to assure the web design adhered to the Rehabilitation Act of 1973, Section 508 standards.

Research is another mission. VHA has made major contributions to medical and scientific research over this administration. Some of the major research findings since 1993 include:

- Computer-aided wheelchair prescription system assures better fit for veterans.
- New functional electrical stimulation walking system provides paraplegics with local area mobility.
- Identification of pathways linked to motor recovery from stroke.
- New computer technology advances orthopedic footwear design.
- Implantable insulin pump shows good results in multi-center trial.
- Optimal medical treatment for prostate disease identified.
- Smoking linked to abdominal aortic aneurysms.
- Shortened corticosteroid treatment for chronic obstructive pulmonary disease found to be cost-effective.
- Early treatment with corticosteroids reduces damage from SCI.
- Breakthrough in brain tumor treatment.
- Genes discovered in aging and Alzheimer's disease.
- Important link found between youthful drinking and later alcoholism.
- Study shows benefits of 'clot-busting' drugs compared with angioplasty.
- New kidney cancer treatment identified.
- Estrogen and vaccine combination may stop multiple sclerosis.
- Steroid therapy found to be effective for common forms of pulmonary disease.
- Colonoscopy may be the best way to screen for colon cancer.

In 1998, VA Research launched the VA Quality Enhancement Research Initiative (QUERI). The QUERI mission is to translate research discoveries and innovations into better patient care and systems improvements. It is founded on the principle that practice needs determine the research agenda, and research results determine interventions that improve the quality of patient care. Medical Research Service established the REAP in 1998 to promote and support groups of VA investigators studying medical areas of importance to the veteran population. Twenty programs from 18 VA medical centers have been selected for funding to date. These REAPs focus on a wide variety of medical areas of particular importance to veterans including pulmonary disease, bone disease, Parkinson's disease, vascular disease, renal disease, disorders of the gastrointestinal system, wound healing, multiple sclerosis, Hepatitis C, depression, and prostate cancer.

Although nurses have always been an integral part of VA research teams, VHA nurses have been underrepresented as principal investigators (PIs). The Nursing Research Initiative (NRI) encourages the development of nurse investigators to conduct independent research aimed at high-priority and VA mission-oriented areas of investigation.

Evidence-based clinical practice guidelines have been widely accepted as a means to increase the use of appropriate clinical practices and to reduce the use of inappropriate practices, thereby improving quality of care and reducing unnecessary health care costs. The effectiveness of practice guidelines, however, depends on their consistent and accurate implementation. This initiative invites research to study alternative strategies for implementing evidence-based clinical practice guidelines in VHA and to identify implementation strategies that may be replicated system-wide. Only guidelines that were developed nationally and are based on scientific evidence are eligible for study. The research will focus on alternative ways of introducing guidelines into practice, for example, incentives, computerized reminders, administrative rules, and penalties. These studies will also address the impact of guideline implementation on such outcomes as quality and cost of care, practitioner knowledge and practice patterns, and patient behavior.

Gulf War veterans are a particular focus as we learn more about their special health concerns. Three new, large-scale treatment trials have begun in order to seek answers to explain illnesses for these veterans. They will be exploring symptoms and illnesses such as chronic fatigue syndrome, neurological abnormalities, and generalized body pain of unknown origin.

The Cooperative Studies Program (CSP) conducts multi-center clinical trials to determine the effectiveness of promising new therapies. As one of the most important large-scale clinical trial programs in the world, the CSP has achieved international recognition for its accomplishments in many areas. Some of the areas of research that are prevalent among our veterans as well as the general population include ischemic heart disease, chronic lung disease, benign prostate disease, chronic renal failure, and schizophrenia. In addition, CSP investigators conduct population-based research focusing on critical health care issues, such as the epidemiology of hepatitis C, the occurrence of amyotrophic lateral sclerosis (Lou Gehrig's disease) in Gulf War veterans, and the progression of prostate cancer and rates of illness among deployed veterans. The CSP has four Coordinating Centers, a Clinical Research Pharmacy, and three Epidemiological Research and Information Centers. Clinical trials results obtained through the CSP inform VA's health care policy makers so that they can make the appropriate changes in clinical practice that result in improved patient care for veterans and the nation.

In fundamental biomedical research, new initiatives in diabetes, environmental hazards, emerging infections, and wound repair reflect new priorities in medical research. VA's Medical Research Service (MRS) contributes to improved health care for veterans and the nation through the study of the cause, development, diagnosis and treatment of a wide variety of diseases and disorders. Recently, MRS researchers reported advances against many health problems affecting veterans. For example, a MRS team studied gene therapy that may offer new hope to millions of diabetics who need daily insulin injections. Another team identified a part of the brain that is involved in the thinking process, the motor cortex, an area scientists previously believed was limited to controlling voluntary movements. Investigators also developed a laboratory technique to grow mouse stem cells, the bone marrow "mother" cells that evolve into all the different types of mouse blood cells. If human stem cells can be similarly grown, this VA finding could have a

major impact on gene therapy for blood cell disorders and bone marrow transplantation for cancer and other diseases.

New rehabilitation centers have also been established in the areas of sensory loss, brain injury, aging with a disability, patient outcomes from rehab care, and spinal cord regeneration.

Health Services Research and Development Service (HSR&D) pursues research at the interface of health care systems, patients, and health care outcomes. The priorities have expanded to include access to health care, managed care strategies, effect of facility integrations, changes in clinical services organization with line management, and ethnic, cultural, and gender issues as they relate to health services use. Many HSR&D studies have been used within and outside VA to assess new technologies, explore strategies for improving health outcomes, and evaluate the cost-effectiveness of services and therapies. HSR&D carries out its mission through peer reviewed research and through its key centers which include 11 Centers of Excellence, the Management Decision and Research Center, and the Veterans Affairs Information Resource Center). The newly funded VA Health Economics Resource Center will bring additional depth to HSR&D's expertise.

VA Research established three Epidemiological Research and Information Centers (ERICs) to enhance VA health care delivery by promoting VA-based population research and to convert those results into a format that VHA providers and administrators can apply to improve patient care.

VA Research created four Environmental Hazards Research Centers in 1994 to focus on toxic and other environmental health hazards, particularly as such studies relate to veterans' potential exposure to chemical and biological hazards during active military duty. Research at these centers has identified even further need for studies of environmental exposure. An additional center, the Environmental Hazards Research Center for Reproductive and Developmental Outcomes, was established to study the health of offspring to those veterans that served in military service and the concerns with respect to ionizing radiation, Vietnam veterans and exposure to herbicides, and Persian Gulf veterans. These centers focus on topics such as carcinogenesis, autoimmune or allergic responses, neurobehavioral alterations, reproductive developmental outcomes, genotoxicity, or prevention or consequences of exposure.

VA Research established the Technology Transfer program in 1999 to assist VA investigators in identifying, protecting, and commercializing inventions. This office inventories and tracks all tech transfer activities to ensure that documents are reviewed and evaluated and that recommendations are acted upon in an appropriate and timely manner. This will help clinicians concentrate on moving beyond creating prototypes of rehabilitation aids, such as wheelchairs and prosthetics, to putting them into practical use. Expanded efforts enhance these activities, bringing new discoveries into clinical practice. Investigators are assisted with patenting and necessary partnering with industry. The goal of this effort is commercial production of such devices so they may benefit the greatest number of people. Researchers are also enhancing the capacity for conducting clinical trials with newly devised technologies.

Among joint research efforts are those by VA and Department of Defense (DOD) investigators. Shared research interests between the two federal Departments initially prompted, and have since fueled, this VA/DOD Collaborative Research Program. The current initiatives

include: prostate diseases including cancer; military operational stress-related illnesses; mechanisms of emerging pathogens; combat casualty and wound repair; and physiological foundations of physical performance and combat readiness.

The Office of Research Compliance and Assurance was created and reports directly to VA's Under Secretary for Health. The goal of the office is to ensure that VA's research programs place the highest priority on the welfare and dignity of patients who enroll in clinical studies. It also ensures the VA's efforts to continuously improve high ethical standards in research. It provides independent and routine assurance that VA research is conducted legally, safely and with integrity.

VHA's training mission is accomplished through academic affiliations with many of the nation's medical and other schools in health sciences. VHA is the country's largest provider of graduate medical education. The shift to primary care had a major impact on the Medical training program. In 1996, the Residency Realignment Review Committee, an advisory committee to the Under Secretary for Health, recommended replacing 1,000 specialist positions with 750 generalist positions over a three-year period and eliminating 250 specialist positions. This recommendation was successfully implemented. The Primary Specialist Program defined seven broad criteria in 1997 for the residency training programs in VA that encompassed primary care of seriously ill patients by specialists.

The National Medical Informatics Fellowship Program was initiated in 1995 to provide a fellowship program in Medical Informatics. A review of all VA medical school affiliation partnerships was completed in 1997. The National Quality Scholars Fellowship Program, a new program initiated in 1998, provided a fellowship program in which physician-scholars learn to develop and apply new knowledge in quality improvement for the ongoing improvement of health care services for VA and the nation. Through a generous grant of nearly \$1 million from the Robert Wood Johnson Foundation in 1998, a two-year initiative was launched to focus greater attention on training of resident physicians in end of life care. The Resident Orientation Pocket Card and web site programs were introduced in 1998. They have become part of the orientation of medical and allied health students and residents to VA medical facilities. The initiative reflects a commitment to making VA clinicians more aware of the unique experiences of veterans and the effects those experiences may have upon veterans' health care needs. A revised associated health education methodology to allocate trainee positions was developed in 1999 to include more emphasis on the quality of profession-specific and inter-professional clinical education at the facilities.

VA has augmented its employee education programs by establishing the VA Learning University (VALU) and emphasizing a "One VA" approach to organizational learning. VALU addresses crosscutting learning initiatives of VBA, VHA and NCA and provides ways for employees to have information at their fingertips through the use of distance learning. VALU establishes products and services that integrate technology to make learning more affordable and accessible, and more tailored to the needs of Department workers. By overcoming barriers of space and time, technology enables educators and other VA professionals to reach larger audiences, not only expanding and enhancing communities of learning and practice, but saving scarce travel dollars and staff time. Technology improves both the responsiveness and timeliness of education, and improves the correlation between what employees need to learn right now and their access to learning opportunities.

Beginning in 1999, VALU staff coordinated four regional One VA conferences, and one national conference in support of the One VA initiative. These five conferences were held over the course of a year to enhance Department employees' understanding of ways to provide seamless services. These conferences increased awareness of VA's need to promote a department-wide, systematic approach to the education, training and development of VA employees in order to provide high-quality, seamless service to veterans.

Another initiative affecting employees of VHA was the initiation of Labor Management Partnership Councils. VHA initiated local partnerships to enhance cooperation between labor and management to improve patient care for veterans. Additionally, by working with representatives of labor as participants in the National Partnership Council, VHA has improved processes for identifying serious issues and improved relations through enhanced negotiating procedures.

In providing medical contingency backup for the Department of Defense, VHA provides wartime support to the DOD's medical system, assists the Public Health Service, The Federal Emergency Management Agency (FEMA) and the National Disaster Medical System (NDMS) in providing emergency care to victims of natural and other disasters.

Natural and man-made disasters in which VHA played a direct role during the time from 1993 to present are listed below. These missions included regional casualty and health care coordination, medical supply support and transportation, VA volunteer personnel recruitment, and additional duties in support of the FRP. The details of VA's commitment are contained in the EMSHG After-Action Reports for each catastrophic event:

- Mid-West Floods (1993)
- Northridge Earthquake (1994)
- Southeast Floods (1994)
- Oklahoma City Bombing (1995)
- Hurricane Felix (1995)
- Hurricane Luis (1995)
- Hurricane Marilyn (1995)
- Hurricane Opal (1995)
- Northeast Floods (1996)
- Hurricane Bertha (1996)
- Hurricane Hortense (1996)
- Hurricane Fran (1996)
- North Dakota/Minnesota Floods (1997)
- New York Ice Storm (1998)
- Hurricanes Bonnie/Earl (1998)
- Hurricane Georges (1998)
- Oklahoma/Kansas Tornadoes (1999)
- Hurricane Bert (1999)
- Hurricane Floyd (1999)
- Egypt Airlines 990 Crash (1999)
- Hurricane Lenny (1999)

In conjunction with the Federal Response Plan (FRP), there has been an additional emphasis in recent years on preparing for terrorism. In June 1995, the White House issued Presidential Decision Directive 39 (PPD-39), "United States Policy on Counterterrorism." PPD-39 evoked a number of measures to reduce vulnerability to terrorism, to deter and respond to terrorist acts, and to strengthen capabilities to prevent and manage the consequences of terrorist use of nuclear, biological, and chemical (NBC) weapons of mass destruction (WMD). As a result, the Department of Health and Human Services (HHS) developed four National Medical Response Teams (NMRTs). VA entered an agreement with the United States Public Health Service (USPHS) to maintain National NDMS/WMD caches located at five strategic locations within the United States. Four of these cache components are for support of each NMRT, while the fifth component is designated for support of "special events."

With this National Security emphasis on counter-terrorism, VA has become a strong advocate for preparing for domestic incidents involving WMD. As part of VA's Comprehensive Emergency Management (CEM) approach to disaster preparedness, and in concert with the Clinton Administration's Policy on Critical Infrastructure Protection (PDD-63), VA is preparing all of its health care facilities for all hazards, including WMD. Another Presidential Decision Directive (PDD-62: Combating Terrorism) provides for VA to work with HHS "to ensure adequate stockpiles of antidote and other necessary pharmaceuticals nationwide and the training of medical personnel in NDMS hospitals." Accordingly, VA has entered into an agreement with the Centers for Disease Control (CDC) for assistance in the development of caches of supplies and equipment that could be used by metropolitan areas that have been subjected to a WMD attack. Also under PDD-62, PHS has the authority to transfer up to one million dollars to VA for training of NDMS hospital personnel. VA is uniquely positioned to do this training since it represents a large portion of the nation's medical capability and has facilities located throughout the country.

Another area of VA support provided in response to threats from a natural, accidental or terrorist event is the area of response to a radiological incident. The Federal Radiological Emergency Response Plan was developed by FEMA, the Department of Energy (DOE), and 15 other federal agencies or departments in response to Executive Order (EO) 12241 and EO 12657. This plan provides procedures for federal agencies to discharge their responsibilities during a wide range of radiological emergencies. During the Clinton Administration, VA organized and trained a medical response team that can provide technical assistance, decontamination and direct medical support to a hospital or other health care facility located close to an area when a radiological disaster has occurred. Called the Medical Emergency Radiological Response Team, it consists of 25 specialized VA physicians and health physicists who receive additional training and participate in various federal exercises on an annual basis.

In order to test VHA plans and provide readiness training for VHA personnel, throughout the eight years of the Clinton Administration numerous seminars, exercises, and practical hands-on training have been conducted with other federal agencies and departments dealing with medical emergency preparedness. In concert with VA's federal partners, these events were keyed to patient care/survivability and patient evacuation through appropriate channels to receiving hospitals where definitive care could be provided. Two of the largest VA training events were Consequence Management '98 and Consequence Management '00 which were conducted at Fort Gordon, GA, in April 1998 and May 2000. These exercises and training events were developed through a joint effort of VA, DOD and PHS. These training events were

designed primarily for Federal Emergency Medical Response Team personnel who have specific and/or assigned duties during a WMD related emergency. The primary objectives of these joint exercises and training events were to provide specialized NBC training, offer an opportunity to perform emergency medical functions at a field location, and evaluate performance in responding to a WMD-based scenario.

VHA's performance data demonstrate improved access, quality, safety, patient satisfaction, efficiency, and accountability. VHA's transformation, nonetheless, is still a work in progress, reflecting the challenges inherent in large-scale organizational change, as well as the reality that the entire health care industry is in transition. However, VHA is steadfastly set on a course to continue to improve in its provision of quality, timely, and veteran-focused health care.

# Veterans Benefits Administration (VBA)

The mission of the Veterans Benefits Administration, in partnership with the Veterans Health Administration and the National Cemetery Administration, is to provide benefits and services to veterans and their families in a responsive, timely, and compassionate manner in recognition of their service to the nation.

## Vision

VBA's vision is that the veterans we serve will feel that our nation has kept its commitment to them; employees will feel that they are recognized for their contribution and are part of something larger than themselves; and taxpayers will feel that VA has met the responsibilities with it has been entrusted. Courage, honesty, trust, respect, open communication, and accountability will be reflected in our day to day behavior.

The underlying operating premises and structures of the Veterans Benefits Administration were established in the post-WWII and Korean War eras. The last several years have seen the start of an enormous change process designed to bring VBA into the 21<sup>st</sup> Century. Given the broad range of benefits and services provided and VBA's decentralized organizational structure, the initiatives needed to bring about these changes are extensive. To date, more than 150 major projects are underway covering issues such as organizational structure, business processes, training, recruitment and employment, information technology and telephones.

## Reorganization

The Veterans Benefits Administration (VBA) has undergone changes in the organizational structure to support its mission. The most significant change occurred following the confirmation of the Under Secretary for Benefits, Joseph Thompson, in late 1997. Under Secretary Thompson convened a group of senior managers for a planning session. *The Road Map to Excellence – Planning the Journey* was the result of the planning session and provided a vision and framework for the activities that VBA has undertaken and will undertake to reform the delivery of veterans benefits.

VBA's Central Office structure was revised to reflect the creation of two Deputy Under Secretary positions -- Deputy Under Secretary for Operations and Deputy Under Secretary for Management. This change addressed the need for centralized coordination and support for field station requirements, while dedicating attention to the many department-wide program management and planning issues.

In addition to changes at the Central Office level, VBA underwent organizational changes at the field level. Since the early 1990's, VBA's field structure had consisted of four areas: East, South, Central, and West. Each had an Area Director who had oversight for the operation of regional offices within his or her respective jurisdiction. To create a field structure that is flexible, responsive to the needs of veterans and their families and focused on teamwork among offices, regional offices were grouped into nine Service Delivery Networks (SDN). Each SDN is responsible for the administration of benefits within its geographic area and reports to one of the

two Associate Deputy Under Secretaries. In addition, the Data Management Office was established to address VBA's data management needs.

## **Programs**

VBA is responsible for administering and delivering an array of federally authorized benefits and services to eligible veterans and, in certain instances, their dependents and survivors. VBA programs (business lines) include disability and death compensation and pension, education, home loan guaranty, vocational rehabilitation and employment, and life insurance. These programs touch millions of lives in fundamental ways.

## **Compensation and Pension (C&P)**

Disability compensation is paid to veterans with service-connected disabilities. "Service-connected" means that the disability was a result of disease or injury incurred or aggravated during active military service.

Dependency and Indemnity Compensation is payable to certain categories of survivors if the servicemember's or veteran's death was attributable to a disability incurred or aggravated during military service.

Disability pension benefits are payable, subject to income limitations, to wartime veterans who become permanently and totally disabled as the result of a nonservice-connected disability. Surviving spouses and dependent children of wartime veterans are potentially eligible for death pension benefits, subject to income limitations.

## **Undiagnosed Illness for Gulf War Veterans**

After the return of U.S. forces from the Persian Gulf in 1991, some veterans began exhibiting symptoms of unexplained illnesses. The characteristic signs or symptoms of known diseases could not explain these illnesses. There were concerns that these illnesses may have been caused by various environmental hazards: medications, pesticides, chemical/biological warfare weapons, and parasites (leishmaniasis). Although VA was unable to pay compensation under the usual statutory authorities, it nevertheless strongly supported legislation giving us specific authority to compensate undiagnosed illnesses of Gulf War (GW) veterans.

The President signed the Veterans' Benefits Improvement Act legislation on November 2, 1994, creating Public Law 103-446. Section 106 authorized VA to compensate GW veterans suffering from chronic disabilities due to undiagnosed illnesses.

## **Tobacco Legislation**

Over the past few years, VA has been faced with the impact of tobacco-related diseases on the disability compensation program. In general, Congress precluded service connection for disabilities due to the abuse of alcohol and drugs. In a 1991 case, the Court of Veterans' Appeals ruled that a veteran could establish service connection for his disability based on a 14-year history of smoking in the service. In 1992, the Board of Veterans' Appeals reviewed the case of

a veteran who died of lung cancer. In that case, a medical expert said that it was more likely that the veteran's 40-year history of smoking was the cause of the veteran's lung cancer. This state of the litigation raised several questions.

In January 1993, a VA General Counsel opinion stated that tobacco use was not considered drug abuse and that direct service connection of disability or death may be established if the evidence shows that injury or disease resulted from tobacco use (i.e., nicotine dependence) in line of duty during military service.

In 1998, the Veterans Benefits Act of 1998 was enacted and clarified the conflict in this area. The Act prohibited service connection for disability or death on the basis of the use of tobacco products during service except where the disability or death appeared during service or during any applicable presumptive period.

### **Transition to the Reengineered Environment**

In 1996, the C&P Business Process Reengineering (BPR) Team documented recommendations for a reengineered claims process in its report, *A Case for Change*, which was endorsed by the Secretary. The BPR Team, comprised primarily of Adjudication Officers, presented a comprehensive vision for the future of claims processing. In July 1997, six implementation teams presented a detailed implementation plan, *Blueprint for Change*.

### **BPR Sites**

The *Blueprint for Change* stated that the successful implementation of the BPR recommendations required testing and analysis in a "real" working environment. In February 1999, the six sites selected to serve as BPR sites were Cleveland, Phoenix, Pittsburgh, Portland, Salt Lake City, and Little Rock.

### **Case Management**

Redesigning the claims process to suit the expectations and needs of the veterans is part of VBA's vision. In 1998, Under Secretary for Benefits Thompson stressed that:

"Case management is our claims processing approach to ensure we meet and exceed this expectation [of responsiveness]. If a claim requires development, we will advise the claimant – in clear, plain language, either written, by telephone or in person – what evidence is needed, what the claimant's responsibility is, when to expect a decision, and who he or she can contact when needed. And case management will be proactive rather than reactive. We will not wait for the claimant to contact us with a question or problem. We will periodically contact him or her to advise how the claim is progressing. Our Veterans Service Representative will basically handle a portfolio of cases, managing these cases through the claims process from time of receipt until the claimant is notified of the decision."

In February 1999, the six BPR sites began to use case management and continue to do so successfully.

## **Virtual VA**

A paperless, totally electronic claims folder was part of VBA's vision of a reengineered environment. VBA entered into a partnership with a consortium comprised of Eastman Kodak, CSC, Radian, Cisco Systems, IBM, and Microsoft. This consortium agreed to establish and test the concept of a paperless electronic environment at the Washington Regional Office on a pro bono basis.

The concept testing proved that a paperbound claims folder could be converted into a paperless electronic environment. However, the proof of concept testing also revealed that additional functionality would be needed in order to use this tool to increase efficiencies in the claims process.

In February 1999, a project manager and eight team members with rating and authorization knowledge were assigned to the project. This team then worked closely with several contractors to develop the functional requirements document for the construction of Virtual VA. The contract for the construction was awarded in September 2000 and the necessary equipment to support a point of presence in Service Delivery Network 3 was obtained and the expansion of the Lab was accomplished in October 2000.

## **Overseas Predischarge**

The Predischarge Program began in 1995 with a pilot test initiative that would provide transition assistance and continuity of care to service members who retired or were medically separated from the military. The goal was to process claims within 30 days of the service member's separation from service. In FY 1999, approximately 10,000 predischarge claims were finalized. In FY 2000, more than 100,000 claims were processed in an average of 25 days. Such favorable results have led VBA to consider expanding this effort to Germany and Korea.

## **Education**

VBA education programs provide veterans, reservists, and certain veterans' dependents with educational resources to compensate for opportunities missed because of military service. These programs are also meant to help the Armed Forces and Reserves recruit and retain members.

VBA administers five education programs that provide benefits to veterans, servicemembers, dependents and survivors of veterans and servicepersons, and members of the Selected Reserve. Through these education programs, claimants receive education assistance allowance benefits for the pursuit of education and training.

In addition to education claims processing, VBA is responsible for support functions affecting administration of the education benefit programs. These Education Service Unit (ESU) functions include approval of courses, liaison with school officials and state approving agencies, and the conduct of surveys to ensure that training establishments and their approved courses are in compliance with provisions of the laws administered by VA.

## **Consolidation of Education Services Unit (ESU) Functions**

Education Services functions are performed by an Education Services Unit (ESU) in each regional office. VBA looked at the consolidation of the ESU functions and centralization of the allocation and management of ESU resources as the next logical step in improving service to VA education claimants. Planning for consolidation began in 1995. By the end of 1997, all ESU functions were consolidated under the four existing Regional Processing Offices: Atlanta, Buffalo, Muskogee, and St. Louis.

### **Paperless Processing**

Over the last few years, VBA Education Service has taken great strides toward a paperless processing environment. The accomplishments range from providing information on the Internet to automated processing of claims.

### **Education Service Web Page**

Education Service was one of the first services within VBA to have a home page on the Internet. The web page provides veterans and their dependents with information on eligibility, links to the Regional Processing Offices (RPO's), education news, and responses to frequently asked questions.

### **Electronic Enrollment Certifications (VACert)**

VACert was developed to facilitate paperless processing between schools and VBA. This program allows school certifying officials to complete electronically VA Form 22-1999 (Enrollment Certification) or VA Form 22-1999b (Notice of Change in Student Status).

### **Automated Claims Processing**

The Enrollment Certification Automated Processing program automates the interchange between VACert, the Benefits Delivery Network (BDN), and the approval file. The program awards benefits, generates payment, and stores the record of actions in a paperless environment.

### **Imaging**

The Image Management System (TIMS) has been one of the largest undertakings in Education Service. TIMS is an imaging system that has replaced the paper folders in Atlanta, Buffalo, Muskogee, and St. Louis. Through TIMS, management can control workflow, track the process of any claim, and maintain an accurate count of the pending workload.

### **Toll-Free Phone Service**

The toll-free telephone service specifically for education benefits began in the summer of 1998. The 1-888-GI BILL-1 number allows veterans and dependents to phone in and speak to an education case manager.

## **Internet Verification of Enrollment**

The monthly verification process is expanding to give students other paperless options. Web Automated Verification of Enrollment (WAVE), which was recently implemented, allows students to verify their enrollment via the Internet.

## **On-Line Application for Benefits**

In a move toward E-Government, the Education Service has joined with the Compensation and Pension Service and the Vocational Rehabilitation and Employment Service to develop Veterans On-line Applications (VONAPP). VONAPP provides the added convenience of filling out applications at home rather than going to a VA office.

## **Other Paperless Advances**

Initiatives currently underway are workload sharing, digital certificates, and the Education Expert System (TEES). These initiatives have expanded, and will continue to expand the Education Service's efficiency and ability to serve the veteran in a paperless environment.

## **Reader Focused Writing**

VBA launched its Plain English initiative (Reader-Focused Writing) in 1995. Reader-Focused Writing is a method for creating readable texts, and is based on research in technical communication and related fields. Education Service created its first Reader-Focused Writing team in April 1994, before the VBA initiative was launched. The team currently writes new letters to accommodate changes in laws and regulations and works to make existing letters clearer and easily understood by the recipient.

## **GI Bill 50<sup>th</sup> Anniversary**

On June 22, 1944, President Roosevelt signed into law The Servicemen's Readjustment Act of 1944 — "The GI Bill of Rights." On June 22, 1994, the nation celebrated the 50<sup>th</sup> Anniversary of the signing of the GI Bill. The Education Service chaired VA Secretary Brown's committee to organize the Department's commemoration of this most important piece of legislation that many historians describe as America's greatest single piece of social legislation.

## **Program Evaluation as a Result of GPRA**

The Department of Veterans Affairs selected its education benefit programs as the first programs to be independently evaluated under The Government Performance and Results Act of 1993. The three education programs evaluated were:

- The Montgomery GI Bill (MGIB) program - 38 U.S.C., Chapter 30.
- The Montgomery GI Bill - Selected Reserve (MGIB-SR) program - 10 U.S.C., Chapter 1606.
- The Survivors' and Dependents' Education Assistance (DEA) program - 38 U.S.C., Chapter 35.

The major finding in all three programs is that the purchasing power of the education benefits has not kept pace with rapidly increasing cost of higher education. Over the past several years, there were a large number of laws passed that improved the education benefit programs.

## **Home Loan Guaranty**

The Loan Guaranty program helps veterans and service members buy a house. Assistance is in the form of a partial guaranty of loans made by private lenders in lieu of the substantial down payment and other investment safeguards required in conventional mortgage transactions.

Loan Guaranty Service has restructured its organization in several ways. Beginning in 1996, loan origination and servicing functions were consolidated from 45 Regional Offices to 9 Regional Loan Centers. In addition, Loan Guaranty's eligibility functions were also consolidated into two Eligibility Centers. This process was begun in the spring of 1997 and was completed in the fall of 1999. Portfolio Loan Servicing was contracted out, and a Portfolio Loan Oversight Unit was established to monitor the now outsourced loan servicing.

The issuance of Loan Guaranty Certificates is now an automated process. Appraisal reports to VA and to the lender are also submitted electronically. An on-line application (VA Assignment System), which allows case numbers and appraisal assignments to be obtained through the use of the Internet, has been developed.

## **Loan Processing**

A complete revision of the Lender Handbook has been completed during the last several years. The handbook, a tool to guide lenders through the VA loan process, has been distributed historically to more than 20,000 lender program participants.

Two customer satisfaction surveys have been implemented. The majority of veteran home buyers are not only satisfied with the overall process of obtaining a VA home loan, but 98 percent would recommend the VA home loan program to other veterans.

In the early and mid-1990s, when interest rates dropped significantly, personalized letters were mailed to 1.66 million veteran homeowners notifying them that they could refinance their home loan at a lower interest rate.

## **Loan Management**

In response to the Government Performance and Results Act (GPRA), a supplemental servicing performance measure was implemented. VBA employees help veterans by intervening in a delinquent situation and working to arrange alternative repayment options so that the loan may be brought current. Successful interventions by VA employees have not only enabled veterans to reinstate their home loans, but also have saved VA over \$100 million dollars in costs associated with foreclosure.

Other accomplishments in the area of loan management include tracking delinquent VA loans, industry partner outreach efforts; and encouraging continued private industry participation in the program by implementing procedures to speed payments for properties conveyed to VA.

### **Property Management**

The inventory and holding times of properties acquired as a result of foreclosure have dropped to the lowest level in 15 years. For the properties that still remain under VA control, the online application Property Management Local Area Network is now used to manage and track their status and support automated payment and collection processes.

### **Monitoring Unit**

In the past years, a growing number of lenders have been granted the authority to underwrite and close VA loans. Due to the inherent risk involved in the delegation of such authority, an oversight mechanism is required to prevent waste, fraud, and abuse. Since its inception in 1992, the Lender Monitoring Unit has conducted over 250 lender package submission audits, and has enabled the federal government to recover and avoid losses of an estimated \$20 million.

### **Information Management and Technology**

Over the past eight years, several important applications to manage, track, and maintain data, as well as train program participants, have been implemented. These applications include the Standard General Ledger conversion, an automated Loan Processing system, the Electronic Lender Information program, and 10 computer-based training modules.

### **Vocational Rehabilitation and Employment**

The Vocational Rehabilitation and Employment (VR&E) program helps service-disabled veterans become employable and obtain and maintain suitable employment. VR&E also administers a program of rehabilitation services to help disabled veterans achieve independence in daily living. The VR&E program provides educational and vocational counseling for eligible servicemembers, veterans, and dependents.

During the past eight years, the VR&E program has made a substantial shift in focus on the outcomes of suitable employment and independence in daily living. Several aggressive and significant reengineering initiatives serve as the foundation for this successful shift and have permitted the program to streamline and redesign employment services and rehabilitation practices, create effective communication loops and tools, and establish accountability systems to measure performance.

In August 1998, the VR&E program published its first Business Case describing the new vision for the management of the VR&E program. The document outlined strategies that would help the program achieve its vision. In June 2000, VR&E published a supplement to this business case. This publication continued the program's accountability posture, documented the

positive shift in the program's focus on outcomes, and demonstrated progress toward achieving the program's vision.

### **Employment Specialist Pilot Project**

One of the first steps that VR&E took to intensify its efforts to shift the focus of the program to employment for disabled veterans was the creation of a new career position, Employment Specialist. The Employment Specialist project involves employers at the beginning of a veteran's rehabilitation program and ensures that rehabilitation programs and services are aligned with future needs and demands of employers.

### **Case Management**

VR&E is engaged in a case management initiative that links the intensity of case management services with the individualized needs of the veteran. This model incorporates a standardized tiered approach that enables field staff to identify and apply the appropriate intensity of services that each case requires.

### **Corporate WINRS**

At the corporate level, VR&E had been without an adequate information management system to support its case management practices. The Corporate WINRS Project which grew out of the 1997 field-initiated WINRS program is a new, centralized case management information system that will help VR&E management and individual VR&E case managers make well-informed decisions. (The acronym, WINRS, stands for the five regional offices that collaborated to develop the system: Waco, Indianapolis, Newark, Roanoke, and Seattle.)

### **Communications**

VR&E completed a thorough evaluation of its external and internal communications methods and materials. Based on these findings, VR&E developed an overall strategy to improve communications.

### **Partnerships**

VR&E has established strategic partnerships with other government agencies, its contractors, employers, employment service providers, and educational and training institutions to improve the percentage of veterans who successfully complete a program of rehabilitation.

### **Life Insurance**

The life insurance programs administered by VBA provide insurance benefits for veterans and servicemembers who may not be able to get insurance from private companies because of the extra risks involved in military service or because of a service-connected disability.

## **Consolidation of St. Paul and Philadelphia Insurance Functions**

In conjunction with a Reinventing Government (REGO II) proposal, the Insurance functions were consolidated in Philadelphia in April 1999.

## **National Performance Review (NPR) Regulatory Reform Initiative**

The President issued a memorandum on March 4, 1995, directing agency heads to perform certain tasks as part of the administration's Regulatory Reform initiative. The Insurance Service conducted a review of its regulations. Results of the review were included in the "Eliminating and Improving Regulations Report."

## **Reader-Focused Writing (RFW)**

During the past seven years, the VA Insurance Service staff has worked with the NPR staff to improve the quality of its products. One of the key initiatives resulting from this partnership was Reader Focused Writing (RFW). The Insurance Service assisted VA in developing, training, and airing the course over satellite broadcasts.

## **Plain Language Use in Proposed and Final Rulemakings and Agency Documents**

In accordance with the "Presidential Memorandum on Plain Language" dated June 1, 1998, the Insurance Service began writing all proposed and final regulations in Reader-Focused Writing style. In addition to regulations, the Insurance Service now uses Plain Language/RFW in writing other types of documents.

## **Interagency Relations/Partnerships**

The Insurance Service developed a partnership with the Social Security Administration whereby numerous matching programs were conducted to exchange data for the purpose of updating Insurance Master records. VA Insurance Service also joined in a partnership with the Department of Treasury to develop the 'Combo II' printing system that allows Treasury to mail an Insurance letter or Explanation of Benefits (EOB) statement with VA insurance checks.

The Office of Servicemembers' Group Life Insurance (OSGLI), a division of the Prudential Life Insurance Company of America, directly administers the Servicemembers' Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) programs. The VA Insurance Service maintains oversight of OSGLI in the administration of these programs. The Insurance Service coordinates with the Department of Defense and Prudential in developing program initiatives, proposed legislation and regulations.

## **Computer Based Training**

In October 1996, the Insurance Service Employee Development and Training Staff contracted with an independent training contractor to develop on-line training modules for its Policyholders Services/Veterans Insurance Phone System Division.

## **Awards**

The Insurance Center received two Hammer Awards. The Hammer Award is presented by the National Partnership for Reinventing Government (NPR) to teams of federal employees who have made significant contributions in support of reinventing government principles. The first award was presented to the Award Data Entry (ADE) Team for developing a replacement for an outdated, inefficient system that was used to process over 100,000 beneficiary claims per year. The VA Insurance Center/Social Security Administration Partnership to Improve Insurance Quality Service also won a Hammer Award for simplifying the processes used by the Insurance Service to update its records and ensure record accuracy.

The Insurance Service was selected as the winner of the Robert W. Carey Award in the Benefits Category for the year 2000. The Director of the VA Regional Office and Insurance Center, Thomas Lastowka, received the prestigious Caspar J. Knight Award from the Philadelphia United Veterans Council.

## **Initiatives**

### **Insurance Self Service Initiative**

The VA Insurance Service has begun the process of developing self-service functions for customers. Insurance policyholders will be able to access their records, make inquiries, make certain changes to the records and release certain disbursements either through a personal computer, using our enhanced web site, or through the telephone by using the Interactive Voice Response (IVR) system.

### **Paperless Processing Initiative**

The Insurance Service has begun an initiative to develop Paperless Processing. This initiative involves electronic storage of Insurance records and on-line access to images of those records.

### **Electronic Fund Transfer/Direct Deposit**

This program gives policyholders and beneficiaries the advantage of having disbursements deposited directly into their bank accounts.

### **SGLI/VGLI Alliance Accounts**

In June 1999, the Office of Servicemembers' Group Life Insurance (OSGLI), with the approval of VA Insurance Service, began to distribute SGLI/VGLI insurance proceeds through the use of the Alliance Account. The Alliance Account provides beneficiaries with a "checking account" in lieu of a lump sum payment of proceeds.

### **Beneficiary Financial Counseling**

The VA Insurance Service staff worked with the Department of Defense and the Office of Servicemembers' Group Life Insurance to develop a new benefit for beneficiaries of

Servicemembers' Group Life Insurance (SGLI) and Veterans Group Life Insurance (VGLI). The new benefit, Beneficiary Financial Counseling Services (BFCS), provides free, personalized, objective financial advice to SGLI and VGLI beneficiaries who choose to take advantage of the service.

### **Accelerated Benefits**

Effective February 9, 1999, the SGLI/VGLI program began offering an accelerated benefits option to terminally ill insureds. The insureds are eligible to take up to 50 percent of their SGLI or VGLI coverage in a lump sum.

### **Data Management Office**

The Data Management Office (DMO) was created in 1998 to manage VBA's data and information requirements.

### **Reporting and Data Storage Capabilities**

The Data Management Office developed an automated online report inventory system. This system provides customers with access to numerous reports including budget, customer satisfaction, finance, General Accounting, Inspector General, productivity, and workload. In FY 1998 and 1999, at the request of the Under Secretary for Benefits, the Data Management Office compiled and published the Annual Benefits Report. The Data Management Office also created an enterprise data warehouse and operational data store to support consistent information throughout VBA. The Data Management Office has also established a Gulf War Veterans Information System to provide statistical data on the Gulf War service members and veterans.

### **VBA Program Enhancements**

The DMO established and implemented comprehensive customer satisfaction surveys for several VBA business lines (Compensation and Pension, Loan Guaranty, Education and Vocational Rehabilitation & Employment), and established a 'top of the line' electronic balanced scorecard performance measurement system. This system provides all employees with access to performance data from throughout the organization.

### **Employee Development and Training**

VBA's Office of Employee Development and Training has been developing a comprehensive, state-of-the-art employee development and training system that is learning, skill, and performance based. It encompasses a very broad spectrum of initiatives using the latest technology and includes corporate sponsored management and leadership development, mentoring, competency development, support service, end-user, and external partner training, and performance based technical training for employees.

## **Infrastructure Development**

In November 1999, VBA issued a comprehensive policy statement on training within the organization. To further enhance the coordinated delivery of training across the organization, VBA established training coordinators within each Service Delivery Network. Acknowledging that learning often takes place in more informal settings, VBA has nurtured "communities of practice" within the organization. Communities of practice are individuals, informally bound to one another through exposure to a common class of problems and common pursuit of solutions.

## **Employee Orientation/Training**

VBA enhanced its recruitment procedures and significantly expanded and systematized efforts to properly orient new employees. New employees participate in performance-based interviews and competency assessments and acquire insights into the competencies and skills they possess and will need to acquire in the future. Once on board, these new employees participate in a two-week orientation program.

## **Leadership**

VBA's workforce planning also incorporates a systematic strategy to address our leadership succession planning needs. Four programs were developed to meet the leadership development and training needs from initial high potential management candidates to senior executive development. The programs are: Leadership Enhancement and Development, Introduction to Leadership (including Human Resources and Labor Management Relations), Division Leadership and Management Training, and a Senior Executive Service Candidate Development Program.

## **Customer Service**

VBA is working to develop a high performance workforce to successfully serve America's veterans of today and tomorrow. To that end, VBA is developing a state-of-the-art customer service training program.

## **Learning Delivery**

VBA developed a number of delivery mechanisms to meet the differing logistical needs of the organization and the varied styles of adult learners. These mechanisms include the Veterans Benefits Network Satellite Broadcasting System, the VBA Video-teleconferencing System, the Training Performance and Support System computer based training modules for business line technical skills, as well as traditional classroom-based seminar and workshop training through the Veterans Benefits Academy.

## **Learning Management System**

VBA is piloting a project to test the use of a customized version of its web based learning management system in order to give all employees and managers the ability to create a career

development plan that links their skills and competencies with training that can fill gaps, enhance performance, and provide growth.

## **Field Operations**

Since January 1990, VBA had been operating in an area office structure where 58 regional offices were managed by one of four area offices geographically dispersed throughout the country. Beginning in 1998, this structure was reorganized into the current Office of Field Operations (OFO) structure.

The OFO Headquarters redesign process currently underway is intended to shift the organization's focus away from operational activities generally associated with field operations and permit it to concentrate on strategic issues. The basic framework for this process is based on six value creating activities:

- Strategy Development
- Product Development
- Demand Management
- Service Delivery
- People Development
- Systems Development

## **Balanced Scorecard**

VBA's Balanced Scorecard, an information system for the organization, provides employees at all levels of the organization with information on both program outcome and performance measures that they will be able to influence. The Balanced Scorecard uses five measures: customer satisfaction, accuracy, speed, cost, and employee development and satisfaction.

## **Case Management**

Case management in claims processing ensures that customers' expectation of responsiveness is met and exceeded. Veterans and claimants have direct access to teams that process their claims and are fully informed of the status of their claims. Surveys of case managed claims show that claimants now have more confidence in the claims process and a higher opinion of VA.

## **N-ARS**

The National Automated Response System (N-ARS) serves as a single point of telephone entry for veteran-customers seeking information and services from any business line activity. The system contains a menu series of programmed messages that allow a caller to receive general benefits information. Interactive voice response capability also allows a caller to determine the status of his/her education or disability benefits payments.

## **Systematic Individual Performance Assessment**

To identify individual deficiencies, ensure maintenance of journey-level skills, promote accuracy and consistency of claims adjudication, and restore credibility to the system, local management must consistently monitor individual performance. It is believed that Systematic Individual Performance Assessments (SIPA) will bring accountability to the journey-level individual, and serve as an internal control mechanism to minimize the potential for fraud since performance reviews will focus on program and data integrity concerns.

## **Training, Responsibility, Involvement, Preparation**

TRIP is a partnership between VBA and veterans service organizations. TRIP stands for: **T**raining (must be provided); **R**esponsibilities (need to be assigned); **I**nvolvement (between participants); and **P**reparation (of claims). The goals of TRIP are to foster cooperation among VBA, VSOs and claimants, to improve customer service, effectiveness and efficiency, and to reduce duplication of effort.

## **Rewards and Recognition Program**

The FY 2001 rewards and recognition program was developed by a task force which was convened to review VBA's existing incentive awards program and propose recommendations for improvement.

## **Executive Appraisal System**

The new executive performance appraisal system was implemented May 1999. The new system includes balanced scorecard performance measures and introduces the use of surveys to assist all directors in identifying both individual and corporate strengths and weaknesses and to pinpoint areas for personal and corporate development. It also includes peer assessment and 360 degree evaluation.

## **Information Technology**

### **Year 2000 Issue**

VBA's Year 2000 (Y2K) project officially began in 1996, although there was very early awareness of this potential problem. By late 1991, VBA had performed a detailed analysis of all VBA applications. VBA was one of the first administrations within VA to have its Y2K efforts the subject of a congressional hearing and a General Accounting Office audit. VBA began making applications compliant in 1993, and by March 31, 1999, all applications and systems were compliant.

### **The N-ARS Story**

During the past several years, there has been increased focus on customer service that reshaped how VBA approaches customer access to services. VBA has adopted guidelines

contained in the February 1995 National Performance Review report entitled Federal Consortium Benchmark Study Report on Serving the American Public: Best Practices In Telephone Service.

In 1996, VBA began a comprehensive effort to evaluate and improve customer service through its general toll-free number, 1-800-827-1000. The initial assessment of customer access revealed that VBA had a blocked call rate of 60 percent -- far in excess of world class organizations.

This finding led VBA to initiate an aggressive effort to take advantage of the improvements in telecommunications technologies and changing business processes. The centerpiece of this effort was to develop and deploy the National Automated Response System (NARS). Over the four-year period (1996-2000), during which NARS was conceived, developed, tested and deployed, the VBA blocked call rate decreased from 60 percent to less than 5 percent.

### **Systems Architecture Accomplishments**

- In 1993, VBA deployed local area networks, servers and personal computers to all VBA employees nationwide.
- In 1996, VBA deployed the web browser to all VBA workstations in support of the Government wide Internet accessibility initiative.
- In 1998, VBA first implemented its Internet gateway services at the Philadelphia Benefits Delivery Center. This implementation includes firewall, proxy, and virtual private network technologies.
- In 1999, VBA deployed Virtual Private Networking (VPN) capabilities to all regional offices to provide remote users with secure connectivity across a public medium to gain access to VBA's network resources.
- In 2000, VBA was the first government agency to accomplish the transition to the FTS 2001 telecommunications contract. VBA realized millions of dollars in savings by lowering telecommunication costs and employing economies of scale throughout the country.
- During the period 1992 through 2000, VBA built new applications which process 22 million services per month on behalf of VBA Regional Office claims processing.
- During the period 1992 through 2000, VBA continued to administer an Adaptive Technology program in compliance with Section 508 of the Rehabilitation Act Amendment of 1998.
- VBA maintains a library of documented studies that were prepared while planning the environment we have implemented.

# National Cemetery Administration (NCA)

The National Cemetery Administration's mission is to provide burial space for eligible veterans and their dependents; to furnish Government headstones or markers for the unmarked graves of veterans worldwide; to administer the State Cemetery Grants Program, which provides funding up to 100 percent for states to establish, improve or expand State veterans cemeteries; and to administer the Presidential Memorial Certificate Program.

## New National Cemeteries Dedications

NCA established the following new national cemeteries (NC) to provide for burial space to meet the growing needs of the World War II generation and other veterans.

- Tahoma NC (Kent) WA – September 1997 – serving 400,000 veterans
- Saratoga NC (Schuylerville) NY – July 1999 – serving 225,000 veterans
- Abraham Lincoln NC (Elwood) IL – October 1999 – serving 1 million veterans
- Dallas-Fort Worth NC (Dallas) TX – May 2000 – serving 460,000 veterans
- Ohio Western Reserve NC (Rittman) OH – September 2000 – serving 540,000 veterans

## Expansion of Existing Cemeteries

In 1997, expansion projects were completed by NCA at Massachusetts, Houston and Willamette National Cemeteries, which added more than 81,000 burial spaces.

The following expansion projects are currently ongoing at national cemeteries:

- Florida NC (Bushnell) FL - (\$6 million; 45,000 gravesites); (completed in 2000)
- Florida NC (Bushnell) FL - \$6 million; 18,000 columbaria niches);
- Fort Logan NC (Denver) CO – (\$16.1 million; 26,000 gravesites and 17,000 cremated remains sites);
- Fort Rosecrans NC (San Diego) CA - (\$6 million; 14,000 columbaria niches);
- Fort Sam Houston NC (San Antonio) TX - (\$9.4 million; 30,000 gravesites);
- Jefferson Barracks NC (St. Louis) MO - (\$7.5 million; 13,200 gravesites);
- Leavenworth NC (Leavenworth) KS - (\$11.9 million; 15,000 gravesites);
- National Memorial Cemetery of Arizona (Phoenix) AZ - (\$13.1 million; 14,000 gravesites, 10,000 columbaria niches, and 7,000 cremated remains sites).

From FY 1993 through FY 1996, additional gravesites or columbaria were developed at the following national cemeteries:

- Calverton NC (Calverton) NY - (\$1 million; 2500 columbaria niches);
- Fort McPherson NC (Maxwell) NE - (\$3.9 million; 2708 gravesites);
- Salisbury NC (Salisbury) NC - (\$625 thousand; 600 gravesites);
- Black Hills NC (Sturgis) SD - (\$2.9 million; 6,500 casketed, 750 gravesites, and 1,200 cremated remains sites);
- Fort Custer NC (Augusta) MI - (\$1.9 million; 10,000 double depth gravesites);

- Indiantown Gap NC (Annville) PA - (\$2.9 million; 15,000 gravesites and 3,000 cremation sites);
- Santa Fe NC (Sante Fe) NM - (\$2.8 million; 2,500 gravesites and 1000 cremation sites);
- Camp Nelson NC (Nicholasville) KY - (\$1.2 million; 6,000 gravesites);
- Fort Sam Houston NC (San Antonio) TX - (\$25 thousand; 128 columbaria niches);
- Fort Smith NC (Ft. Smith) AR - (\$1.6 million; 3,650 gravesites);
- Port Hudson NC (Zachary) LA - (\$2.7 million; 432 gravesites);
- Fort Rosecrans NC (San Diego) CA - (\$1.8 million; 5,000 columbaria niches).

## **1994 Report to Congress on the National Cemetery Administration**

The Department of Veterans Affairs (VA) prepared reports to Congress, one in 1987 and in 1994, identifying 10 areas in the country most in need of new national cemeteries based on concentrations of veteran population. Six of the ten areas identified in the reports have established national cemeteries. These reports fulfilled the requirements of P.L. 99-576, Section 412.

## **Veterans Millennium Health Care and Benefits Act of 1999**

On November 30, 1999, the President signed P.L. 106-117, which included several specific requirements of NCA regarding establishment of additional national cemeteries, assessing the appearance of national cemeteries, identifying areas where veterans do not have access to national cemeteries, and assessing the use of upright versus flat grave markers. The law also directed the Secretary of Veterans Affairs to obligate funds during fiscal year 2000 to determine where to establish six new national cemeteries for veterans.

## **Enhancements to State Cemetery Grants Program**

Since 1980, NCA awarded 105 grants totaling more than \$82 million to the states. With the enactment of P.L. 105-368 on November 11, 1998, NCA has been able to strengthen the partnership with states to increase burial service to veterans. This legislation revised the funding formula for the State Cemetery Grants Program by authorizing the Federal Government to pay up to 100 percent of the costs of construction associated with establishment, expansion or improvement of a state veterans cemetery. VA can now provide grant funding for the initial equipment costs in establishing new state veterans cemeteries. Since enactment of P.L. 105-368, VA has awarded 13 new and increased seven grants totaling \$27,184,022.

## **Administration and Under Secretary Status Achieved**

On November 11, 1998, the President signed the Veterans' Benefits Enhancement Act of 1998 (P.L. 105-368). Under the Act, the name of the National Cemetery System (NCS) changed to the National Cemetery Administration. This legislation also elevated the Director of NCS to the Under Secretary for Memorial Affairs.

## **Reorganization of the Memorial Programs Service (MPS)**

NCA's Memorial Programs Service (MPS) is responsible for furnishing government headstones and markers to eligible veterans worldwide and for administering the Presidential Memorial Certificate (PMC) Program.

In 1995, NCA began a restructuring of its MPS. The goal was to ensure that quality service to veterans' families was maximized at minimum cost to taxpayers.

The realignment focused on altering the way more than 300,000 headstone and marker applications were processed, resulting in a pilot program with two main goals:

- To determine if caseworkers could tie into NCA's computerized ordering system, the Automated Monument Application System (AMAS), from a remote site outside the Washington, DC, area; and,
- To determine if total case management, where a single individual could handle all the steps necessary for processing and approving/disapproving an application for a Government grave monument, would improve service delivery.

A pilot program was set up at Nashville National Cemetery. As a result, total case management was implemented in an effort to improve speed and efficiency while reducing the number of FTEE to perform the job without adversely affecting accuracy and service delivery.

The pilot program supported both concepts and NCA established two additional sites at Indiantown Gap (PA) and Ft. Leavenworth (KS) National Cemeteries. By initiating a transfer of function of MPS' Claims Evaluation units to the three sites and processing applications outside Washington, DC, annual cost savings in salaries and rental charges of \$874,000 were realized.

As a result, MPS can focus more closely on improving its customer service, by updating its toll-free telephone service, as well as its ability to monitor quality of the headstones and markers produced and delivered.

## **Updated Inscription Policies**

NCA revised its inscription policy for Government-provided headstones and grave markers. Beginning in FY 1995, additional inscriptions on government-provided headstones and markers, such as terms of endearment, were added at no cost to the applicant, rather than at a cost to be paid directly to the contractor by the applicant. This change in policy offers better customer service as well as savings to veterans and their families.

In 1997, NCA expanded a pilot program at VA national cemeteries in which the second inscription is added at the gravesite to an existing headstone following the death and interment of a subsequent family member. Fifty-seven national cemeteries and five state veterans cemeteries now have this capability. The Second Inscription Program not only improved service to veterans and their families, but also yielded significant cost savings in acquisition and transportation costs associated with replacing the original headstone. A major milestone was achieved in the cost

savings realized by the Second Inscription Program, reaching more than \$1.7 million since its inception. In addition, NCA can mark graves more quickly following second interments. NCA received a Hammer Award for this initiative.

### **Presidential Memorial Certificates**

A Presidential Memorial Certificate (PMC) is an engraved paper certificate signed by the current President to honor the memory of honorably discharged deceased veterans. President John F. Kennedy initiated program in March 1962. Eligible recipients include the deceased veteran's next of kin and loved ones. More than one certificate may be provided. Approximately 319,000 Presidential Memorial Certificates were provided to the loved ones of deceased veterans in FY 2000.

### **National Shrine Commitment Developed**

The National Cemeteries Act of 1973, P.L. 93-43, mandates that the National Cemetery Administration maintain the final resting places of America's veterans as "national shrines." NCA considers this "national shrine commitment" to be just as important as the dignified and respectful interment provided our nation's veterans and \$5 million was included in the FY 2001 Budget. NCA also has centralized guidance for performing operational tasks at national cemeteries. Several initiatives are currently underway to ensure consistency of operational definitions, processes and assessments across the system. NCA prioritized its list of operational functions, which reflects NCA's operations that are most critical in meeting the national shrine commitment. NCA has a Quality Inspection Program that employs a team-based approach to observe and assess cemetery operations. This program is continuously being refined and evaluated. Revised operational standards will be incorporated into this program as they are developed. This program will be a significant milestone in developing an "audit" system that is aligned with the NCA Strategic Plan toward the organization's performance measures.

### **NCA/VHA Partnerships Assist Homeless Veterans**

The Veterans Health Administration (VHA) and the National Cemetery Administration (NCA) signed a national agreement on May 25, 1995, to formalize a partnership between VA national cemeteries and VA Compensated Work Therapy/Veterans Industries (CWT/VI) program. Under the joint venture, national cemeteries provide therapeutic work opportunities to veterans receiving treatment in the CWT program. Since FY 93, partnerships have been established at more than 35 locations. In seven years, we have increased the total number of CWT participants working in national cemeteries from four to more than 125 annually. Our greatest success stories come from hiring more than 35 former CWT participants to work at our national cemeteries. For NCA and VHA, putting veterans first means veterans helping veterans.

### **Military Funeral Honors**

On November 17, 1999, the Department of Defense (DOD) and VA officials briefed representatives of veterans service organizations (VSOs), the Military Coalition and the funeral industry on implementing the military funeral honors provisions of P.L. 106-65, Section 578, the National Defense Authorization Act for FY 2000. The provisions called for the implementation

of a DOD military funeral honors plan effective January 1, 2000. The military funeral honors ceremony consists of folding and presentation of the flag and the playing of "Taps" for every eligible veteran, upon request. A detail to perform honors shall consist of two or more uniformed members of the Armed Forces, including Reserve Component members, with at least one member from the Service in which the deceased veteran served.

During this administration, the National Cemetery Administration has enhanced the attractiveness of the State Cemetery Grants Program, resulting in the NCA being able to serve more veterans and their families. For example, Idaho -- currently the only state without a national or state veterans cemetery -- is working with NCA to determine if establishing a state veterans cemetery there is feasible. P.L. 105-368, the Veterans Benefits Enhancement Act of 1998, permitted expansion of the program by authorizing full federal funding. The effect of this legislation on the program is apparent by the significant increase in the FY 2000 budget (\$25 million) from that which had been allocated for the grants program in the FY 1999 budget (\$11 million). NCA has opened five new national cemeteries. We have established new programs to enhance and expand existing cemeteries. Our redesign to reorganize the Memorial Programs Service has improved customer service and delivered products in a more timely manner. NCA will continue to provide quality service to our nation's veterans and maintain our cemeteries as national shrines.

# Office of General Counsel (OGC)

## Background

The Office of General (OGC) provides legal support to the Department of Veterans Affairs by providing legal advice and services, and by assisting the Secretary and all VA components in the formulation of policy. The General Counsel is VA's chief legal officer who oversees OGC's legal and managerial requirements with the assistance of the Deputy General Counsel, seven Assistant General Counsels, the Director of the Office of Regulations Management, and 23 Regional Counsels. The Assistant General Counsels provide legal advice to the headquarters elements, and assist in national program and policy-making initiatives. The Regional Counsels provide similar services to regional and local VA elements, including regional offices, medical centers and cemeteries.

OGC's field organization has changed over the past eight years. In the early 1990's, as a result of the National Performance Review and VA's streamlining efforts, OGC reorganized its field office structure by merging 55 District Counsel offices into the present 23 Regional Counsel offices. This change resulted in significant savings because of reduced equipment costs and diminished numbers of middle managers.

OGC added to its headquarters organization in 1994 in order to respond to Office of Management and Budget criticism that VA needed to improve the quality of its rulemaking documents. In order to improve the quality and speed of the rulemaking process, OGC created the Office of Regulations Management that assists all VA elements in the creation of new regulations and in streamlining the existing regulatory structure.

The result of these organizational changes has been to decrease the overall number of OGC employees from 731 in 1993 to its current level of 636.

## Litigation Cases

### Federal Tobacco Lawsuit

On September 22, 1999, the Department of Justice filed an historic complaint against nine major cigarette manufacturers seeking to recover the tobacco-caused health care costs expended by VA and three other federal agencies.

On September 28, 2000, the U.S. District Court granted, in part, the defendants' motion to dismiss, eliminating certain of the agencies' claims for health care-cost recovery. The Government has sought clarification as to whether the judge's order also dismissed the claims of VA and the Department of Defense, but as of December 7, 2000, there had been no ruling on the Government's motion.

### Collections -- Medical Care Recovery

With the assistance of the Department of Justice, VA successfully litigated three significant cases against the health insurance industry. The effect of this litigation was to allow VA to

collect the cost of certain medical care provided to insured veterans who are covered under Medicare supplemental policies.

## **Milestone Legal Opinions**

### **Service Connection for Smoking-caused Diseases**

In a 1993 opinion, the VA General Counsel determined that a veteran whose injury or disease resulted from tobacco use in the line of duty was entitled to direct service connection for those tobacco-related conditions.

A 1997 precedent General Counsel opinion held that, under certain circumstances, service connection for the veteran's disability or death should be established on a secondary basis.

On July 22, 1998, President Clinton signed into law the "Internal Revenue Service Restructuring and Reform Act of 1998." This legislation, proposed by the Administration, overturned both the 1993 and the 1997 legal opinions. It does not preclude, however, establishment of service connection during active service or any applicable presumptive period.

## **Other Significant Events**

### **Eligibility Reform and Expanded Sharing of Health Care Resources**

In 1996, Congress passed and the President signed into law the Veterans' Health Care Eligibility Reform Act of 1996. This landmark legislation made the VA health care system available to many more veterans, but at the same time created an enrollment mechanism for management of the health care system within available resources.

### **Enhanced-Use Leasing**

The Office of General Counsel was instrumental in implementing the Department's enhanced-use leasing program through leases that permit the Department to take advantage of its capital assets.

### **Pershing Hall**

The Office of General Counsel contributed significantly to the Department's outlease of a VA building in Paris, France. Pershing Hall, as the building is known, is owned by the United States and was leased to a French developer. The Department anticipates receiving over \$30 million in cash consideration over the life of the lease.

### **Recoveries from Post-Award Audits**

On two occasions, OGC assisted other officials in successfully defending the practice of incorporating a clause in Multiple Award Schedule contracts permitting post-award audits of various contracts administered by VA. This is significant, as post-award audits have resulted in the recovery of millions of dollars in contractor overcharges.

### **Alternative Dispute Resolution Pilot Program**

The Administrative Dispute Resolution Act encourages parties to resolve issues in controversy by using less formal procedures. In response, OGC staff, along with employees of the Office of Acquisition and Materiel Management and from the VA Board of Contract Appeals, designed an Alternative Dispute Resolution (ADR) Pilot Program that established procedures for contracting officers to utilize ADR at any time during the term of a contract. OGC staff has used ADR to resolve millions of dollars in government contract claims.

### **VA Discount Pharmaceutical Purchasing**

After approximately 150 manufacturers had signed the Master Agreement and Pharmaceutical Pricing Agreement, OGC began assisting with implementation of this drug discount program that has saved VA, DOD, PHS-IHS, and the Coast Guard hundreds of millions of dollars in subsequent years. The minimum 24 percent discount prescribed for patented brand-name drugs has saved VA alone about \$250 million per year.

## **Board of Veterans' Appeals (BVA)**

The Board of Veterans' Appeals (BVA or Board) is the component of the Department of Veterans Affairs (VA) that is responsible for entering the final decision on behalf of the Secretary in each of the many thousands of claims for entitlement to veterans' benefits that are presented annually for appellate review.

On July 28, 1933, President Roosevelt created the Board of Veterans' Appeals by Executive Order 6230, Veterans Regulation No. 2(a). Initially, the Board was composed of a Chairman, Vice Chairman, and no more than 15 associate members. Due to the increasing workload, the Board continued to increase in size to 67 members until 1994, when the limit was removed by congressional legislation. Additionally, in 1994, the Board sought and received authority to issue decisions made by individual Board members, instead of three members, and provide pay comparability to that of Administrative Law Judges. Currently, the Board has 59 Veterans Law Judges basically aligned into four "decision teams" divided along geographical boundaries.

The passage of the Veterans' Judicial Review Act, P.L. No. 100-687 (Nov. 18, 1988), which established the United States Court of Appeals for Veterans Claims (the Court), was the most revolutionary change in the Department's benefits claim adjudication system since the inception of the Board in 1933. While decisions of the Court have had a profound effect on the Department's entire adjudication process, few, if any, have resulted in an improvement in decision productivity or timeliness of the VA adjudication system. Judicial review, however, has resulted in more consistent and detailed decisions. Conversely, readjudication of decisions remanded by the Court to the Board, and those returned from the regional office after the Board has remanded them, has resulted in a vastly increased workload for the Board and a longer wait for appellants to obtain final decisions and resolution of their appeals. The remand rate more than doubled after judicial review was created due to the added need for specific medical information, the need to obtain appellants' private medical records, and the need for additional due process development. Many cases had to be remanded because of changes in the law. Since 1991, Court decisions have been binding on VA as of the date they are issued. This requires the Board to readjudicate cases affected by a Court decision.

The Board continues to improve the systematic and objective approach to quality assessment that was initially begun in 1998. On a daily basis, Board members and senior counsel evaluate and "score" a statistically valid sampling of completed BVA decisions that have not yet been released from the Board, as well as all decisions that are brought to the Board's attention through motions for reconsideration or remands from the Court.

Since the Veterans Judicial Review Act of 1988, a hearing before a "Travel Board" is a matter of statutory right for every appellant. By 1994, a six-fold increase in demand for such hearings resulted in an unacceptably long period between when a hearing was held and the Board actively reviewed the case. To better serve veterans and appellants, the Board sought and received legislation to conduct electronic hearings. The Board began videoconference hearings in 1995, and greatly expanded the use of this technology each subsequent year. A Memorandum of Understanding between the Board and the Veterans Benefits Administration (VBA) was signed in 1999, which resulted in more than a two-fold increase in videoconference sites. With

systems located at 34 regional offices (RO), the Board conducted over 1200 videoconference hearings in FY 2000. At the start of FY 2001, 67 systems were located not only at regional offices but at selected Veterans Health Administration (VHA) medical clinics to bring the appellate hearing process closer to where veterans live and work under a "One VA" concept. With videoconference capabilities enabling Board members to "travel" to a RO on a monthly basis, Board videoconference hearings are held at a time proximate to the decision making process.

The Board also offers monthly videoconference seminars between senior Board members and regional office adjudicatory staff to discuss various trends in the decision making process and to review the impact of precedent Court decisions issued within the previous 30 days. The Board continues to work as a partner with VBA regional offices for enhanced use of these systems. At one Regional Office this teamwork resulted in both a Deputy Secretary Scissors Award and a Vice-Presidential Hammer Award.

In 1997, BVA and VBA adopted a single appeals tracking system (VACOLS) that enabled regional offices as well as veteran service organization personnel to track the status of appeals at the Board. Continued enhancements to VACOLS included the ability for VBA personnel to add appeals to the Board's docket, close out appeals resolved at the RO, indicate when cases have been developed enough to permit an appellate hearing, view and download Board decisions and other documents attached to VACOLS records, update home address, add hearing annotations, and track issues for record keeping purposes. VACOLS now serves as the sole source of data used to calculate appeals resolution time – a new performance measure designed to provide a meaningful indication of the average length of time to complete the entire appeals process.

The Board maintains a series of Web (www) pages where information regarding the appeals process as well as Board decisions in a searchable text format can be obtained. To better serve veterans and the general public, the Board also maintains an e-mail link. In fiscal year 2000, these e-mail inquiries have increased 400 percent over the number received in 1996, the year of e-mail inception at the Board.

The complexity of today's veterans' law requires intensive initial and continuing training so that each person can be a fully contributing decision team member. The Board's Training Committee was formed to establish new procedures and refine existing methods for providing initial and continuing legal, medical, management and other education for Board members and staff counsel training. The Board's training program provides for professional growth and skill development throughout the course of an attorney's career with BVA. Each of the four decision teams has been the recipient of the Department's Scissors Award.

The Board continues to invest in the future through participation in innovative areas such as the Digital Dictate program designed to permit voice-to-text production of decisions, the Acting Secretary's "One VA Mentoring Program," participation in courses at the new Department of Justice National Advocacy Center, and participation in "Attorney Leadership Seminars" at various universities and the National Judicial College.

## Office of the Inspector General (OIG)

Administratively established on January 1, 1978, and mandated by law in October of that year, VA's OIG is responsible for:

- conducting and supervising audits and investigations;
- recommending policies to promote economy, efficiency, and detection of fraud and abuse in the administration of VA programs and operations;
- keeping the Secretary and the Congress fully informed about problems and deficiencies in VA programs and operations, and the need for corrective action.

The IG's authority allows inquiry into all VA programs and activities, as well as those of grant recipients, contractors, and those operating under other agreements with the Department. To accomplish this, the OIG has three major oversight offices:

- Office of Investigations – responsible for performing investigations of alleged criminal conduct related to VA programs and operations.
- Office of Audit – responsible for independent audit of VA programs to ensure the validity and integrity of operations, state of accountability and stewardship of resources, and effect of operations in achieving outcomes.
- Office of Health Care Inspections – responsible for assisting VA employees to provide safe, high quality patient care to eligible beneficiaries.

The OIG also maintains an administrative operation that oversees the financial, human resource and communication needs of the OIG and manages a Hotline section that staffs a toll-free telephone complaints service.

During this administration, the OIG initiated a Combined Assessment Program (CAP) that performs cyclical oversight of medical and benefit facility operations to ensure that through quality, efficiency and effectiveness of delivery, world-class service is provided to the Nation's veterans. Audit, Investigations and Health Care staff performs each CAP as a team

By law, the IG produces semi-annual reports that summarize the most significant accomplishments of the OIG during the six-month reporting period, as well as management's actions on significant IG recommendations. Through March 31, 2000, 16 semi-annual reports were issued during the Clinton Administration showing a dollar impact of \$3,481.4 million identified by the OIG as funds which could be put to better use, recovered dollars, and fines, penalties, restitution and civil judgments.

In addition to the monetary impact, during the Clinton Administration the OIG can take credit for issuing 995 reports of audits, investigations and reviews; closing 2,090 of the 2450 investigations it initiated; and indicting, convicting or administratively sanctioning 4,160 individuals.

## Board of Contract Appeals (BCA)

The VA Board of Contract Appeals is an independent staff office established pursuant to the *Contract Disputes Act of 1978*, (41 U.S.C. §§ 601-613) to consider disputes between contracting officers and federal contractors in connection with VA construction, supply and service contracts. The Board's jurisdiction also includes applications for attorney fees and expenses under the *Equal Access to Justice Act* (5 U.S.C. § 504). Board decisions are final within the Department and may be appealed to the United States Court of Appeals for the Federal Circuit. Formal proceedings before the Board are adversarial in nature, and on the record, with witnesses under oath and subject to cross-examination. The hearings are conducted under rules and procedures comparable to those of the U.S. Court of Federal Claims and to those utilized by Federal District Courts in non-jury, civil cases. The Board issues written decisions consisting of detailed findings of fact and conclusions of law which are published on its own Internet site as well as available from a number of commercial sources.

Pursuant to the *Administrative Dispute Resolution Act (ADRA)*, the Chair of the Board was designated by the Secretary as VA's Dispute Resolution Specialist (DRS) and, as such, is the senior departmental official responsible for promoting ADR throughout VA. On October 19, 1996, the *Administrative Dispute Resolution Act of 1996 (ADRA 1996)* was enacted permanently extending as well as clarifying and enhancing the *ADRA*. Various ADR services in non-contractual matters are also provided throughout VA and to other federal agencies. The DRS is the Department's expert in ADR, and conducts briefings and training sessions throughout VA and the nation. Board personnel participate in and provide expertise on several ADR working groups focusing on conflict resolution and ADR. VA is a steering committee member of the Interagency ADR Working Group sponsored by the Attorney General, and supports several initiatives associated with this Group.

The *Veterans Health Care Act of 1992 (VHCA)*, Public Law No. 102-585, amended the Medicaid drug rebate statute and establishes additional discount programs applicable to the Public Health Service, Department of Veterans Affairs, and Department of Defense. The primary impact of the *VHCA* is the prohibition against federal payment for a manufacturer's covered outpatient drugs unless the manufacturer complies with certain mandated discount or rebate requirements. The *VHCA* requires a manufacturer wishing to sell to the VA (and other applicable Federal agencies), to enter into a "master agreement" with the Secretary under which the manufacturer makes certain specified representations as provided in the "master agreement." The "master agreement" jointly drafted by the VA and manufacturing representatives contemplates the potential for disputes between the parties. Accordingly, the VABCA has been requested by the Office of General Counsel and the Office of Acquisition and Materiel Management to provide hearing and dispute resolution processes on an as needed basis.

October 9, 1996, Congress enacted Public Law 104-262, referred to as the *Veterans Health Care Eligibility Reform Act of 1996*, 38 U.S.C. §§ 8151-8153 (1996) (*Eligibility Reform Act of 1996*). Title III, § 301(a)-(d) of the *Eligibility Reform Act of 1996* was enacted to strengthen medical programs at Department facilities and improve the quality of health care provided to veterans by authorizing the Secretary to enter into agreements with health care providers in order to share and receive health care resources. Under this new enhanced sharing authority, VA has seen a dramatic increase in contracting out for medical services and outpatient services. As VA

continues to change from a hospital based inpatient health care system to an outpatient system and increases its purchasing of medical type services from the private sector we anticipate that claims will increase in this area.

The *Eligibility Reform Act of 1996* provided first-time authority for VA to sell its services to other government agencies and the private sector. To the extent that disputes arise in these contracts, the Board was requested by the Office of General Counsel and the Office of Acquisition and Materiel Management to provide hearing and dispute resolution processes on an as needed basis.

As requested by the Debarring Official, the Deputy Assistant Secretary for Acquisition and Materiel Management, the Board serves as fact finders in debarment and suspension hearings held pursuant to Federal Acquisition Regulation (FAR) Part 9.4, 48 C.F.R. §§ 9.400-409.

Board Judges have also been utilized in a variety of matters where a neutral fact finder is needed. Board Judges have participated as alternate EEO hearing officers, as members of Mobile Housing Suspension Committees and to investigate the fairness of Senior Executive Service Bonus Committee proceedings.

## **Office of Employment Discrimination Complaint Adjudication (OEDCA)**

The Office of Employment Discrimination Complaint Adjudication (OEDCA) is an independent unit whose mission is to issue the Department's final agency decision on complaints of employment discrimination filed by VA employees and other eligible claimants. OEDCA's creation was a result of widely publicized allegations of sexual harassment and abusive behavior by VA senior managers. These first surfaced in 1993 at the VA Medical Center in Atlanta, and again in 1997, at the Fayetteville Medical Center.

Congressional hearings into those allegations raised numerous concerns about the need to reform VA's internal Equal Employment Opportunity (EEO) complaint process. One of those concerns, voiced repeatedly during the 1997 hearings relating to the Fayetteville allegations, was the widespread perception among VA's employees that the role of the Office of the General Counsel (OGC) in adjudicating employment discrimination complaints was incompatible with its primary role as management's legal advisor.

In response to those concerns, both the Congress and the Department undertook initiatives to reform what many employees perceived as an ineffective and unfair complaint system. Those initiatives, which included legislation (Public Law 105-114) resulted in the reorganization of the entire EEO complaint processing function. One significant aspect of that reorganization was the transfer of EEO adjudication authority from the OGC to a newly created, independent adjudication unit within the Department — OEDCA.

The new unit, attached to the Office of the Secretary and headed by a director reporting to the Secretary, assumed adjudication authority from OGC and began operations on February 19, 1998. The director assumed authority to take final action on the merits of all discrimination complaints, regardless of the grade or position of the VA official(s) alleged to have committed the unlawful discrimination.

OEDCA's mission is to ensure fairness, integrity, and trust in the adjudication process by issuing timely decisions on complaints that are fair and objective; without ex parte communication; based solely on the relevant, reliable, and credible evidence in the record; and consistent with applicable law and regulations. A dedicated and highly diverse staff of attorneys and support personnel make it possible for OEDCA to accomplish its mission.

To safeguard its independence, neither the director nor the associate director is required to explain or defend any final action taken by OEDCA. Moreover, neither the director nor the associate director renders opinions on, or otherwise discusses the merits of, any pending or potential complaint with any official in the Department. The director's decisions and orders are final and not subject to further review or appeal within the Department. Contact with OGC is generally limited to situations in which OEDCA must provide copies of its files to OGC for appeals and litigation. Since operations began, OEDCA has reduced the case backlog from 446 to 190. Moreover, it has reduced the average case processing time from more than 270 days to only 55 days. Its objectivity and independence is clearly demonstrated in its overall finding rate

— approximately four percent of OEDCA's final actions have resulted in a finding of discrimination, as compared to the Department's historic finding rate of 1.25 percent.

In addition to adjudicating cases, OEDCA has taken steps to ensure that lessons learned from these cases are made available throughout the Department. To this end, the director issues the *OEDCA Digest*, a quarterly publication summarizing selected decisions covering a variety of issues that typically arise in Federal employment discrimination complaints. In addition to decision summaries, the *OEDCA Digest* contains important information regarding new regulations, directives, and other guidance issued by the Equal Employment Opportunity Commission (EEOC), as well as articles that might be of interest to employees, management, and the Department's EEO professionals.

A frequent criticism of VA's prior complaint process was the lack of appropriate corrective action against officials who engage in unlawful discrimination. Shortly after commencing operation, the director took steps to develop and implement a formal reporting procedure that notifies the Secretary whenever there is a finding of reprisal or intentional discrimination. As a result, there is now, in every case involving such a finding, timely follow-up action by the Department, including discipline when appropriate.

OEDCA has achieved dramatic success. A report submitted to Congress by the firm of Booz-Allen & Hamilton described its success as follows:

"OEDCA has certainly demonstrated effectiveness in reducing the backlog of final agency decisions and improving timeliness. In addition, limited data regarding final agency decision outcomes suggest that OEDCA has been able to maintain its independence and objectivity from VA as a decision-making authority. Furthermore, most OEDCA personnel express satisfaction with the staffing situation and how OEDCA is managed. Taken together, these findings point to OEDCA's overall effectiveness in issuing final agency decisions -- despite initial challenges as a new organization with a backlog of its own. VA has appropriately positioned OEDCA as manager of the final agency decision process." (Assessment of VA's EEO Complaint Resolution System -- Report to Congress, April 30, 1999, page 94)

## **Office of Small and Disadvantaged Business Utilization (OSDBU)**

Public Law 95-507, signed on October 4, 1978, established an Office of Small and Disadvantaged Business Utilization (OSDBU) in each Federal agency. The purpose of this office is to ensure maximum practicable opportunity for small businesses to participate as prime and subcontractors in the Department's requirements. To carry out this duty, the OSDBU is responsible for the development of department-wide policies, programs, and practices relating to small business concerns. This includes educating and training VA staff, negotiating prime and subcontracting goals with contracting activities, monitoring achievements, and managing information system reports to VA executives. This staff advises contracting officials on procurement strategies to ensure equitable opportunities for small business concerns, conducts market research to identify small business sources for competitive actions, and reviews and approves procurements to assist concerns in the Small Business Administration's special business development programs. The office is organizationally aligned with the Office of the Secretary; however, it is funded from the Supply Fund, managed by the Office of Acquisition and Materiel Management.

The OSDBU provides advice and assistance to several subsegments of the small business community, including: small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses (including service-disabled veteran-owned businesses), and businesses located in Historically Underutilized Business (HUB) Zones. Separate legislation establishes minimum Federal agency performance requirements for dollars to be spent with each of these subsegments.

From 1990-2000, VA accomplishments with small businesses, small disadvantaged businesses and women-owned small businesses were well above the statutory requirements. The HUB Zone program took effect in March 1999, with a limited vendor base. From 1990-1999, VA was the only agency tracking awards to veteran-owned businesses.

During the 1990s, federal government focused on streamlining business practices and adopting commercial item procedures. Some of these efforts helped small businesses, such as using credit cards to pay for goods and services. Some of the streamlining efforts damaged small businesses through actions like consolidating purchases into regional or national contracts.

In summary, despite numerous changes in business strategies and shifts in VA spending patterns, VA remained a leader among large Federal agencies in its support for small businesses.

## **Center for Minority Affairs (CMV)**

The Center for Minority Veterans was established by the Veterans Benefits Improvement Act of 1994, Public Law 103-446, § 509, dated November 2, 1994, and is now codified in Title 38 United States Code § 317. An amendment in Public Law 104-275 § 501(a), (b), (c) further delineated the Center's responsibilities. The Center for Minority Veterans was preceded by the Office of the Chief Minority Affairs Officer (CMAO) established under Public Law 102-218, The Chief Minority Affairs Office Act of 1992. The CMAO was a designated Assistant Secretary who reported to the Secretary on issues and concerns of veterans of six minority groups, to include women.

Public Law 103-446, passed in 1994, created two Centers (one being the Center for Women Veterans) and an Advisory Committee on Minority Veterans.

The position of Director, Center for Minority Veterans, reports directly to the Secretary of Veterans Affairs. The director, who may be career or non-career appointee in the Senior Executive Service, serves for a six-year term, but may be reappointed for an additional term. He is the principal advisor to the Secretary or Deputy Secretary of Veterans Affairs on the adoption and implementation of policies and programs affecting veterans who are minorities.

The first and current director is Mr. Willie L. Hensley, a retired Army Lieutenant Colonel with 23 years of military service. Over the past five years, Mr. Hensley has developed a viable and energetic program designed to encourage the use of VA benefits and services by minority veterans. He has gained the support of top VA officials and officials at other federal agencies in efforts to improve the delivery of services and benefits to minority veterans. Under his direction, VA has greatly advanced communication with minority veterans and minority veterans' service organizations, using the Internet and telephone conferencing to provide the latest information about VA benefits and services. Mr. Hensley has provided these groups with a medium for addressing their concerns about VA policies, programs, services, and activities.

The greatest challenge the Center has had to overcome is the mistrust many minority veterans have of VA. Another challenge was to identify and reach out to minority veterans groups and community-based organizations that serve minority populations. The Center has successfully accomplished this with the assistance of a cadre of Minority Veterans Program Coordinators who are located at almost all VA field facilities. Many of the coordinators are collateral duty assignments.

The Center's goals and objectives include vigorous advocacy on behalf of minority veterans; identifying barriers to service; conducting outreach; promoting the use of veteran's benefits; developing and analyzing statistical data; and encouraging medical research into diseases and health problems affecting minority veterans.

The Center's work focuses on five distinct minority groups: African American or Black; Asian American; Hispanic; Native American to include: Alaska Natives, Native Hawaiians, and American Indians; and Pacific Island Americans. The Center has identified major issues and concerns of these five minority groups and has devised strategies and initiatives to address each.

Many of these strategies include cooperation with the Department's three Administrations and staff offices.

In an effort to more fully address the needs of minority veterans, the Center has entered into partnership with the Office of Veterans Employment and Training Service of the Department of Labor; Indian Health Service; Health Care Financing Administration; Office of Minority Health; Office of Aging, and the National Cancer Institute of the Department of Health and Human Services; Small Business Administration; Department of Defense; and the Department of Interior.

As a result, VA has established five new veterans counseling centers on Indian Reservations. Additionally, VA and tribal governments have entered into sharing agreements to improve the delivery of health care to veterans living on trust lands. In 1998, the Center's work with NCI resulted in a grant to develop treatment protocols for African American veterans suffering from cancer. Research focused on disparities in care at VA and other medical facilities is also being conducted. A VA initiative is underway to publish benefits pamphlets and other brochures in languages other than English, such as Spanish, Navajo and Cherokee.

Since the establishment of the Center for Minority Veterans, a greater awareness of minority veterans issues and health care concerns has been achieved within the VA health care provider ranks and within the veteran's community at large. There has been a significant increase in VA's outreach efforts and an expanded level of sensitivity in providing services to minority veterans and their dependents.

## Center for Women Veterans (CWV)

In November 1994, Congress enacted Public Law 103-446, requiring VA to establish a Center for Women Veterans to oversee VA programs for women. This resulted in the reorganization of the Women Veterans Program Office into the Center for Women Veterans, with the director reporting directly to the Secretary.

The Center has worked closely with organizational elements within VA, other federal and state agencies and a variety of veteran service organizations to assure that women veterans' issues and concerns are addressed consistent with the goals of the respective organizations and integrated into individual organization programs, policies and procedures. The Center's accomplishments in this area include:

- Establishment of the Compensation and Pension Service Advisory Committee on Women's Issues in Veterans Benefits Administration
- Establishment of the National Task Force on Women Veterans Health Care Issues in Veterans Health Administration
- Facilitated Funding for VHA's 11 VA-Community collaborative pilot programs to provide services to women veterans who are homeless
- Fostered "One VA" by facilitating joint training of Veterans Health and Benefits Administrations' women veterans coordinators
- Improved outreach focus to the women veterans community
- Fostered relationships with state and county departments of veterans affairs
- Established partnerships with national veterans service organizations to enhance and increase outreach efforts to women veterans
- Established partnerships with other Federal agencies responsible for providing services to women

Center Staff are active members of the following committees:

- Compensation and Pension Service Advisory Committee on Women's Issues (VBA)
- National Task Force on Women Veterans Health Care Issues (VHA)
- Secretary's Working Group on Homelessness (VA)
- Homeless Veterans Task Force (VA)
- Homeless Women Veterans Initiative Oversight Committee (VHA)
- Committee on the Care of the Seriously Mentally Ill (VHA)
- Mammography Standards Committee (VHA)
- Interagency Committee on Women's Health and the Environment (HHS)
- President's Committee on Employment of People with Disabilities, Subcommittee on Disabled Veterans

Since 1994, Center staff have provided more than 100 formal trainings on a wide variety of issues and been active in the development and presentation of educational programs to enhance VA staff's knowledge and increase their sensitivity of women veterans, health care needs, gender-specific concerns, and other related issues. Additional educational activities included the training on women veterans' issues and VA services for women veterans to National Veterans

Service Organizations, representatives of the Veterans Affairs Departments in State Governments and the National Association of County Veterans Services Officers. Staff also provided educational programs on sexual trauma issues in women veterans to elements within DOD, including the U.S. Army's Senior Review Panel on Sexual Harassment and Assault and the DOD Victim's Assistance Task Force.

The dissemination of information to the women veteran community is a primary goal of the Center for Women Veterans. The Center hosts open forums, town hall meetings, and meetings with representatives of national veterans' service organizations at sites across the country. These forums provide staff an opportunity to discuss VA programs and services for women veterans, provide information on accessing benefits and discuss concerns regarding VA services for women in their local community. Since 1994, the Center has hosted approximately 75 such forums at various sites across the country. It is estimated that over 5000 women veterans participated in these forums.

The Center established and maintains a Web site within the VA Home Page to provide women veterans with information about the Center, VA health care services, and benefit programs. Veterans accessing these Web pages are afforded the opportunity to correspond with the Center's Associate Director via e-mail. Over 600 inquiries have been received via this site, since its inception.

In 1996, the Center sponsored the first *National Summit on Women Veterans Issues*. A second Summit: *Summit 2000*, was convened in June 2000. These Summits provided veterans, veteran service providers, Federal agency representatives, legislative staffers and other interested individuals a forum to discuss current initiatives for women veterans, identify issues of concern to the women veteran community, and share ideas on how they might be addressed through legislative, programmatic and outreach activities. Over 450 individuals attended these events. 2000 copies of the 1996 Summit Proceedings were distributed to VA, DOD, DOL and HHS officials, and members and staff of the House and Senate Veterans Affairs Committee, the leadership of the National Veterans Service Organizations, Summit participants, and other interested individuals. The proceedings of *Summit 2000* will be similarly distributed.

The Advisory Committee on Women Veterans was established in 1983 by Public Law 98 - 160. This Committee assess the needs of women veterans with respect to compensation, health care, rehabilitation, outreach and other benefits and health care programs administered by VA, reviews VA programs and activities designed to meet these needs, and makes recommendations for appropriate action. Under the Executive Leadership of the Director for the Center for Women Veterans, this Committee has made recommendations to VA that have contributed to the improvement of VA health care services, benefit programs, and the lives of America's 1.2 million women veterans. Some of the Committee's accomplishments include: the initial recommendation to establish the VA Women Veterans Coordinators Programs, Suggested initiatives and direction for VA Women Veterans Outreach Programs, recommended improvements in the area of gender specific health care, and formulated and suggested various legislative initiatives.

## **Veterans Service Organizations Liaison**

The Secretary's Veterans Service Organizations Liaison is responsible for maintaining the Department's day-to-day contact with the organized veterans community and is the Secretary's principal adviser on matters especially affecting groups within that community.

Since 1993, this office has played an active role in carrying out the Secretary's commitments to increase customer satisfaction and to improve VA services. Leaders of the respective veterans service organizations were consulted regularly on VA initiatives to reduce claims and appeals backlogs, to meet the needs of homeless veterans, to implement certain efficiencies in VA health care delivery, and to address the unique concerns of such populations as women veterans and Gulf War veterans.

The consultations with veterans service organizations contributed materially to the development of plans that, when fully implemented, will enable VA to provide its services in a more customer-oriented manner. The Veterans Service Organizations Liaison will continue to work closely with the various veterans service organizations as they monitor the quality and timeliness of VA service delivery.

### **Veterans Service Organizations by membership and political influence**

The six major VSOs are:

- American Legion,
- AMVETS,
- Disabled American Veterans,
- Paralyzed Veterans of American,
- Veterans of Foreign Wars and
- Vietnam Veterans of America.

Traditionally, the Secretary has met with the Executive Directors of these organizations every six weeks.

The twelve major VSOs are the six major VSOs, plus:

- American Ex-POWs,
- Blinded Veterans Association,
- Gold Star Wives,
- American G.I. Forum,
- Jewish War Veterans and
- Military Order of the Purple Heart.

Traditionally, the Secretary has met every three months with a representative from the major VSOs to go over general material and to listen to any concerns or suggestions. If there is any anticipated policy change, these meetings are the perfect forums to discuss them with the VSOs.

The types of veterans organizations covered in the Veterans Service Organization (VSOs) directory are listed below. This directory is printed by January each year.

- 46 VSOs chartered or approved by VA to work on veterans' claims.
- 72 VSOs not chartered or work on veteran's claims.
- All state directors

### **Mid-Winter Conferences and National Conventions**

There are approximately 12 mid-winter conferences from March through April. During this time, the National Commanders will present their organization's agenda to the joint Veterans Affairs Committee. The National conventions begin in April and end the 2<sup>nd</sup> week in October.

### **Veterans Day and Memorial Day**

Traditionally, there is a White House Breakfast for veteran's service organizations and others guests prior to these two major holidays. The Department of Veterans Affairs (VA) pays for the food and provides a guest list to the White House. This event can only continue with the President's approval, however to discontinue it could lead to bad publicity for the President.

The VA is responsible for coordinating the Veterans Day event at Arlington National Cemetery. The Department of Defense is responsible for coordinating the Memorial Day event.

Various types of documents are requested on a daily basis, such as retirements, birthdays, newborns, wedding anniversaries, condolences, graduations, illnesses, and photos of the President and First Lady. At the beginning of each year, a special request is made to the White House for VSO convention letters.

# **Office of Human Resources and Administration (HR&A)**

## **Office of Administration**

The Office of Administration had responsibility for the following two major initiatives.

### **Modernization of VA Headquarters Building**

This Prospectus-level project began in 1987 and was a joint partnership between VA and the General Services Administration. Total cost was \$57 million and was completed within budget and virtually within its original completion schedule. The project involved total replacement of all building systems and all new interior office space. Renovation was completed in 1996, and the VA Headquarters Building now houses approximately 2,300 VA employees.

### **VA Transit Benefit Program**

Executive Order 13150, Federal Workforce Transportation, dated April 21, 2000, encourages employees, through direct subsidies and pre-tax benefits, to commute by means other than single occupancy motor vehicles. The VA program is in place, and over 5,000 employees VA-wide have submitted applications for benefits. Transit media distribution began the week of September 25, 2000.

## **Office of Human Resources Management**

The Office of Human Resources Management implemented the following five significant initiatives:

### **HR LINK\$ and Shared Service Center**

HR LINK\$ and Shared Service Center (SSC), a major initiative jointly undertaken by the offices of the Assistant Secretary for Human Resources and Administration and the Assistant Secretary for Management, began in FY 1995. The initiative makes new technologies available to support HR and payroll programs. The SSC, located in Topeka, Kansas, provides centralized processing of a majority of VA's HR/payroll informational and transaction activities. The initiative implements certain provisions of Executive Order 13011, Federal Information Technology.

### **Welfare to Work**

VA has been an enthusiastic supporter of the Welfare-to-Work Presidential initiative since its inception in 1997. As of July 10, 2000, VA had hired 1,502 Welfare-to-Work participants, far exceeding the original goal of 800 new employees by the close of FY 1998. VA's efforts were recognized by receipt of Vice President's Hammer Award in September 1999.

## **Whistleblower Protection Act Amendments of 1994**

To comply with requirements of the Amendments to the Whistleblower Protection Act of 1994 (Public Law 103-424), the Whistleblower protection initiative, begun in 1997, promotes an environment where employees feel free to raise concerns without fear of reprisal. GAO recently reviewed VA's efforts to increase employee awareness of Whistleblower Protection Act protections.

### **Labor-Management Partnerships**

In September 1993, President Clinton signed Executive Order 12871, Labor-Management Partnerships. In response, representatives from VA and VA's five major unions began discussion in November 1993 to develop a framework for a national level labor-management partnership. The VA National Partnership Council (VANPC) aims to foster the goals of the National Performance Review to increase efficiency and economy of operations by pre-decisional involvement and the sharing of information in order to find solutions to problems. The VANPC meets quarterly to discuss major departmental issues and provide a forum to address concerns about program or policy changes before decisions are made.

### **Flexible Workplace Arrangements**

The VA policy on Flexible Workplace Arrangements (flexiplace) was signed by the Assistant Secretary for Human Resources and Administration and implemented in June 1997. VA's flexiplace policy authorizes home-based telecommuting, community-based telecommuting, mobile and virtual offices, as well as other appropriate flexiplace assignments. A recent ad hoc survey on the use of telecommuting in VA showed that approximately 500 employees, both in the field and in VA Headquarters, are participating in some type of flexiplace assignment.

### **Office of Diversity Management and Equal Employment Opportunity**

A reorganization of the Office of Equal Opportunity in 1998 reaffirmed the function supporting equal employment opportunity (EEO) policies and programs, and the discrimination complaints processing function was transferred to a newly established Office of Resolution Management. In year 2000, the Office of Equal Opportunity was renamed the Office of Diversity Management and Equal Employment Opportunity (DM&EEO). The new focus on achieving workforce diversity was reflected in the new title of the Deputy Assistant Secretary for DM&EEO. The Deputy Assistant Secretary redirected resources to support program activities that will increase the awareness of and promote the acceptance of diversity and EEO. This Office will also focus on the prevention of complaints of discrimination within VA.

### **VA Implementation of Executive Orders**

The Office of DM&EEO provides guidance and technical assistance for affirmative employment programs for the hiring, placement, and advancement of minorities, women, and people with disabilities. This includes reporting on the implementation of White House initiatives for Historically Black Colleges and Universities, Hispanic Educational Excellence,

and Tribal Colleges and Universities. Some of the ways that VA provided support to White House Executive orders in these areas is as follows:

#### Executive Order 12876, White House Initiative on Historically Black Colleges and Universities

The Department, through the Veterans Benefits Administration, made education assistance payments to eligible veterans, dependents, reservists, and service members attending Historically Black Colleges and Universities (HBCUs) to assist them in defraying the cost of tuition and associated fees. Additionally, VA made payments to HBCUs through reporting fees. These fees are paid to HBCUs to cover administrative costs for processing reports and certifications required by Title 38 U.S.C., Section 3684[c], in the administration of VA educational assistance programs. The total amount of reporting fees awarded varies from year to year at each educational institution based on the number of veterans and eligible beneficiaries enrolled.

The Student Career Experience Program, administered by the Veterans Health Administration, allows undergraduates and graduate students to gain valuable work experience, training, and education in high-demand career fields based on mutual agreements between VA and academic institutions. HBCU students complete their education to become physical therapists, physician assistants, health care administrators, registered nurses, social workers, and other health care professionals.

The Office of Research and Development, within the Veterans Health Administration, allocates funding to support the Research Training Initiative for HBCUs. In FY 1997, efforts were undertaken to stimulate greater interest in the Research Training Initiative, to enhance the attractiveness of the Initiative for potential applicants, and to solicit applications from HBCUs that had not previously participated. Applications are now reviewed by a panel of scientists who are experts in the applicants' fields of study and are close to the latest information within the fields of research. The inclusion of many scientists in the review process ensures that several members of the research community, rather than a select few, make a group judgment of the applicant's research. As the result of refining improved outreach efforts, awards were made to two HBCUs -- Paul Quinn College and Spelman College -- that had not previously participated in the Initiative. In addition, awards were made to Florida A&M University and Meharry Medical College.

#### Executive Order 12900, White House Initiative on Educational Excellence for Hispanic Americans

VA signed a Memorandum of Understanding with the Hispanic Association of Colleges and Universities in October 1996. Since 1996, VA has sponsored 235 HACU interns in positions throughout the Department, and 5 interns have been accepted in full-time positions.

VA and the National Association of Hispanic Federal Executives (NAHFE) signed a partnership agreement in 1997. In 1999, VA and NAHFE co-sponsored Hispanic Federal Executive Summit II with the Office of Personnel Management and the President's Management Council to address Hispanic under-representation in senior positions throughout the Federal government.

The Department of Veterans Affairs Medical Center (VAMC) in San Juan, Puerto Rico, along with the University of Puerto Rico (UPR) School of Medicine have an exemplary Hispanic Serving Institution program. VA's Research and Development Service operated the facility's Center for Hispanic Studies, which has affiliations in research related to Hispanics with VAMC Miami, Florida, and Miami University. VAMC San Juan, Puerto Rico, had institutional and programmatic affiliation agreements with the Schools of Dentistry, Allied Health, Public Health, Pharmacy, and Nursing. VAMC San Juan, Puerto Rico, also had programmatic affiliations with other approved medical schools in Puerto Rico -- Ponce Medical School and Universidad Central del Caribe Medical School. Twenty-one disciplines have residents in the Independent Teaching Program at VAMC San Juan, Puerto Rico.

In 1997, at HACU's 11<sup>th</sup> Annual Conference in San Antonio, Texas, the VA's Assistant Secretary for Public and Intergovernmental Affairs conducted a workshop entitled "Veterans' Education Benefits: Montgomery GI Bill." She discussed how educational institutions could partner with VA to reach and encourage Hispanic veterans to use their benefits within 10 years of military separation in order to achieve their educational objectives.

#### Executive Order 13021, White House Initiative on Tribal Colleges and Universities (TCU)

The Office of DM&EEO is working with the American Indian Higher Education Consortium (AIHEC) to develop a MOU that will provide the cooperative framework for VA and AIHEC to develop and establish mutually supportive programs to increase employment and educational opportunities for the Native American community.

The Health care Staff Development and Retention Office, within the Veterans Health Administration, administers the Student Career Experience Program that allows undergraduate and graduate students the opportunity to gain valuable work experience, training, and education in high-demand career fields, based on agreements between VA and academic institutions.

The Washington Internships for Native Students (WINS) program administered by American University, Washington, DC, is another VA-supported internship program. WINS participants attend an intense academic program and work experience for 9 weeks gaining skills and knowledge to take back to their communities. VA has sponsored 15 WINS since the program began in 1999.

The Veterans Benefits Administration will continue refining its educational assistance payment database to accurately reflect the amount of educational benefit payments to Native American veterans attending TCUs under the Montgomery GI Bill or the amount of funding fees paid directly to TCUs. Another VA goal is to contribute toward the education and training of TCU students in more than 40 different health care professions. Funding support is provided to medical and dental residents, physician and dentist fellows, and students in 27 various health care program areas.

#### Executive Order 13125, Increasing Participation of Asian Americans and Pacific Islanders in Federal Programs (AAPI)

VA participates in and supports the Federal Asian Pacific American Council (FAPAC) annual Congressional Seminar National Leadership Training Conferences. The Office of

DM&EEO and FAPAC are working on a Partnership Agreement to develop and establish mutually supportive programs to increase employment and educational opportunities for the AAPI community.

Since 1999, VA has supported the Okura Mental Health Leadership Program for Asian American and Pacific Islanders. VA's partnership with the Okura Foundation furthers the community leaders' understanding of how the VA impacts national health care, encourages collaborative partnerships between VA and community leaders in order to advance health care and human services for veterans and their families, and provides information about VA's employment opportunities.

#### Executive Order 13078, Increasing Employment of Adults with Disabilities

VA supports the President's Committee on Employment of People with Disabilities' Workforce Recruitment Program and also serves on the planning committee for the Annual Perspectives on Employment of People with Disabilities Training Symposium. VA's strategic plan for the employment of people with disabilities includes a hiring goal 17,700 through October 2005. Additionally, VA has an employment goal of 1.97 percent of the total work force by the year 2004 for people with targeted disabilities.

#### **President's Initiative on Race: One America in the 21<sup>st</sup> Century**

VA participated in the President's Initiative on Race through the arrangement of forums with persons from the community who engaged in dialogue on race relations based on their own personal life experiences. There were several race relations forums conducted at the Department where top officials were invited to participate. The Department also selected several employees who were asked to conduct forums in their communities. Feedback from these activities was reported back to the President's Initiative on Race.

#### **Office of Security and Law Enforcement**

To improve its ability to maintain law and order and protect persons and property at Department facilities, VA initiated a program to arm its police force nationwide. Until the implementation of this program, VA police officers were not authorized to carry firearms while on duty at VA facilities. To improve the Department's readiness to respond to national and local emergencies, VA established a Continuity of Operations Plan. It is in compliance with Executive Order 12656, Assignment of Emergency Preparedness Responsibilities, and Presidential Decision 67, Continuity of Operations Planning.

#### **Office of Resolution Management**

Consistent with VA's "Plan for Transformation: Reengineering the Equal Employment Opportunity Complaint Process" and Public Law 105-114, the Office of Resolution Management (ORM) was created to provide equal employment opportunity (EEO) discrimination complaint processing services to VA employees, applicants for employment, and former employees. Complaint processing services include counseling, investigation, and procedural final agency decisions. ORM also provides compliance oversight functions on VA's Office of Employment

Discrimination Complaint Adjudication final agency decisions, appellate Equal Employment Opportunity Commission decisions, and matters relating to settlements, including breach of settlements. In addition, ORM administers and monitors the Department's External Civil Rights Program under Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. ORM accomplishes these responsibilities through a nationwide network of 12 field offices employing nearly 280 full-time EEO professionals.

ORM's goals are to:

- ensure the timely and accurate processing of complaints;
- educate employees, to include executives, on the meaning of discrimination and employees' rights and responsibilities;
- ensure that employees, management, and labor officials have a full appreciation for what is and is not appropriate for the complaint process;
- expand use of alternative dispute resolution; and
- ensure confidentiality, fairness, integrity, and trust in the process.

Although the establishment of ORM and a new complaint process removes the designation as EEO officer from field facility directors and Headquarters executives, the fundamental set of expectations and responsibilities for VA executives continues to be accountability for fostering a workplace free of discrimination, honoring diversity, minimizing systemic problems, empowering employees, promoting open communication, and demanding high standards of supervisory, management, and employee behavior.

Through eradicating discrimination within the Department, VA will further its corporate goals of ensuring that it creates and maintains a high performing workforce while maximizing wise use of taxpayer dollars.

## **Office of Management (OM)**

The Office of the Assistant Secretary for Management oversees all resource requirements, the development and implementation of agency performance measures, and financial management activities relating to VA programs and operations. Responsibility also includes a departmental accounting and financial management system that provides for management, cost, budgeting, and accounting information. In addition, the office oversees the Department's acquisition and materiel management activities, including development and implementation of policies and regulations. Major initiatives accomplished in the Office of Management during the Clinton Administration are as follows.

### **Electronic Commerce/Electronic Data Interchange**

In October 1993, President Clinton signed a memorandum to improve the Federal Government procurement process through electronic commerce (EC). Through development of EC/Electronic Data Interchange (EDI)/Electronic Funds Transfer payment capabilities, VA continued its successful track record of processing invoices, receiving reports, and vendor payments electronically as well as increasing the number of payees receiving electronic salary, travel, and benefit payments.

Acquisition and payment procedures for purchases under \$2,500 (micro-purchases) on the Government credit card were streamlined. More than 97 percent of micro-purchase transactions are now placed on the credit card. The success of this program was further improved by an internally developed Credit Card System (CCS) and electronic reconciliation procedures which integrate with VA's corporate accounting system. This provides an all-electronic procurement and payment process for all purchase card transactions, which has earned VA over \$34 million in rebates since its inception in FY 1996 (\$10 million in rebates in FY 1999 and \$13 million in FY 2000). The CCS also converted approximately 71 percent of VA's micro-purchase paper invoices and payments to electronic commerce, thereby eliminating over 1.1 million paper invoices.

VA integrated an EDI vendor invoice process and document imaging system with the departmental core accounting system. This eliminated over 1 million paper invoices and brought a totally paperless financial operation to the Department.

VA implemented a prime vendor payment system to facilitate the daily electronic processing of prime vendor invoices. Using CCS, VA accepts a daily transaction file that is automatically posted to the departmental accounting system, which remits an electronic payment to Citibank for all processed transactions. As of June 2000, the Department successfully processed over 300,000 transactions (totaling over \$1.3 billion).

Continuing EC expansion has created a nearly paperless environment with an entirely electronic business cycle environment at our Financial Services Center in Austin, TX.

## Franchise Fund Pilot Program

Similar to a working capital fund, franchising is a concept embodied in the Government Management Reform Act of 1994. The goal of franchising is to streamline duplication of services and move organizations toward a more business-like approach for its activities by placing select common administrative services into fee-for-service franchises. As one of only six pilot agencies authorized by OMB and Congress, VA began Franchise Fund operations in October 1996. Receiving no appropriated funding, Franchise Fund activities (Enterprise Centers) operated entirely on gained revenues. The Enterprise Centers deliver a wide range of services such as secure records storage, financial services, and debt management. The Fund operates on a no-year basis (i.e., funds can be carried over from one fiscal year to future fiscal years), and businesses in the Fund may retain up to 4 percent of gross annual revenues in a no-year capital account.

VA Enterprise Centers have achieved cost savings for its customers--both internal and external organizations--through operating efficiencies and unit price reductions. The Fund's revenues increased from \$59 million in FY 1997 to over \$120 million in FY 2000.

## Streamlined Reports

VA assumed a leadership role in streamlining ten statutorily required reports mandated by Congress through legislation. These include the;

- CFO Annual Report;
- Agency CFO Financial Management Status Report and Five-Year Plan;
- OMB CFO Financial Management Status Report and Five-Year Plan;
- Federal Managers Financial Integrity Act Report; Management Report of Final Action (Audit Follow-up Report);
- Civil Monetary Penalties Report;
- Prompt Payment Act Report;
- Strategic Plan;
- Annual Performance Plan; and
- Annual Performance Report.

In 1994, a Chief Financial Officers Council (CFOC) project team, led by VA, developed the *Accountability Report* concept. This report would provide the public, Congress, and agency managers with a single, user-friendly, integrated report on agency management and program performance. In January 1995, again with VA at the lead, a pilot test of this report was conducted. The CFOC's goal was to end the undisciplined expansion of mandated reporting requirements resulting in needless cost and little added benefit.

VA issued its first *Accountability Report* in FY 1995, becoming the first Government agency to present a comprehensive picture of its performance in carrying out its stated goals and objectives in a single report. The *Accountability Report* incorporated the Department's strategic and performance plans, mission accomplishments, audited financial statements, status of management controls, and a summary of the Inspector General's findings.

In FY 1999, the *Accountability Report* included VA's first Performance Report, which ties back to VA's performance and strategic plans. Also included were the audited financial statements from the Inspector General, which highlight receipt of an unqualified (clean) audit opinion on the Department's Consolidated Financial Statements for FY 1999 and FY 1998.

## **Debt Management**

In 1998, VA fully implemented a project to refer first-party medical debt over 90 days delinquent to our Debt Management Center (DMC) for offset against VA benefit payments. As of August 2000, the DMC offset over 182,000 payments totaling over \$11.1 million against delinquent medical debts. The total cost of this service was \$615,795, which equates to a collection rate of \$18 for every dollar spent.

As of September 1999, total debt owed VA was reduced to \$3.3 billion, down from \$3.7 billion in September 1998. During this same period, delinquent debt was reduced from \$1.5 billion to \$1.1 billion, and debt more than 180 days delinquent declined from \$1.3 billion to \$0.94 billion.

## **Procurement Initiatives**

In the field of health care, VA awards and administers contracts worth billions of dollars for medical equipment, pharmaceutical products, information technology, prime vendor programs, services, and medical supplies. A major initiative has been the consolidation of pharmaceutical requirements into national contracts. VA estimates its cumulative savings in pharmaceutical expenditures to total \$654 million since 1996, solely through the use of its national contracts.

The Congressional Commission on Service Members and Veterans Transition Assistance Report recommended that Congress enact legislation to require the Department of Defense (DoD) and VA to "establish a joint DoD/VA procurement office to purchase, in the most cost-effective manner possible, VA/DoD pharmaceuticals as well as medical/surgical supplies and equipment." Based on this report, in December 1999, VA entered into a Memorandum of Agreement (MOA) with DoD to combine the purchasing power of the two Departments and eliminate redundancies. The MOA has two appendices--one dealing with pharmaceuticals, the second encompassing medical and surgical supplies. A third appendix, dealing with high-tech medical equipment, is under consideration.

The Federal Acquisition Streamlining Act of 1994 (FASA) and The Clinger-Cohen Act of 1996 (originally called the Federal Acquisition Reform Act) each brought significant changes and improvements to the Government acquisition process. Based on these Acts, VA has made great strides in the area of procurement reform over the past 8 years. FASA established commercial item acquisition procedures that have greatly simplified and expedited the acquisition process. These procedures have allowed contracting officers to shorten acquisition lead times and enabled them to provide needed goods and services to customers faster and at less cost. Acquisition documents and specifications have been simplified and are less complicated. Almost all goods and services VA procures (excluding construction) are commercial items, so VA has made extensive use of this new authority to streamline its acquisition processes.

## **Discretionary Programs**

Since 1993, VA has done its part to achieve a balanced budget and to change the deficit-driven policies of the past. We have reduced FTE levels by more than 34,500 – well beyond the streamlining plan. The Administration's requests for veterans' health care have been essentially straightlined for FY 1997 through FY 2000 as negotiated under the Balanced Budget Act of 1997, Public Law 103-55. We have right-sized, cut back, done more with less, and reallocated resources to accommodate the changing needs of those we serve through many innovative achievements. The following table is a highlight of VA's discretionary programs under the Clinton Administration.

# Office of Information and Technology (OI&T)

## Introduction

Section 5125(a) of the Clinger-Cohen Act of 1996 (Public Law 104-106) requires federal government agencies to establish the position of a Chief Information Officer (CIO) in place of the designated 'senior official' for information resources management previously authorized by the Paperwork Reduction Act (PRA). In meeting the requirements of the law, VA identified the Assistant Secretary for Management, already serving as the Chief Financial Officer (CFO), as the Department's CIO.

On July 1, 1998, the Secretary decided to separate the CIO and CFO functions within the Department and established the new position of Assistant Secretary for Information and Technology. The entire organization of the Deputy Assistant Secretary for Information Resources Management was realigned under this new Assistant Secretary. This change permits the appropriate emphasis on the Department's information and technology issues that are key to improving service to veterans.

The Office of Information and Technology's (OI&T) has two fundamental roles. First, the office provides information technology (IT) support to the Administrations and Staff Offices so they can accomplish their missions. Second, OI&T has oversight responsibility on behalf of the Secretary of Veterans Affairs to ensure that VA complies with laws, policies, and direction from external organizations such as the Office of Management and Budget (OMB), the Department of the Treasury, the General Services Administration (GSA), the General Accounting Office (GAO), and the Veterans Affairs Committees.

## Clinger-Cohen Implementation

In response to the Clinger Cohen Act, VA established an IT Capital Investment Management Process that provides for the continuous identification, selection, control, life-cycle management, and evaluation of IT investments. This structured process provides a systematic method that enables the Department to minimize risks while maximizing the return on IT investments. The VA CIO Council plays an active role in this capital investment management process.

In addition, OI&T developed VA Directive 6000, VA Information Resources Management (IRM) Framework which defines an integrated process that consists of planning, budgeting, procurement, and management-in use of VA's information technology investments. VA's IT investments must be measured in relationship to their support of VA's mission, program goals and objectives.

The following activities all support Clinger Cohen implementation:

Enterprise IT Architecture - VA is developing an enterprise architecture that provides a high level view of VA's interdepartmental business processes, information flows and relationships, applications processing, and data description layers. The Enterprise IT

Architecture will encompass the business plans and IT systems and architectures of VA Administrations and Staff Offices.

IT Strategic Plan - The VA IT Strategic Plan FY 2002 - 2006, provides the overarching strategy and priorities to guide the capital, budget, operational, and technical planning for IT by the Department's Administrations and Staff Offices. It also provides the foundation on which IT will be applied to support the Department's business operation.

Government Information Locator Service Site - VA established an operational on-line Government Information Locator Service (GILS) site to help the public locate and access information. GILS is an integral part of the Federal Government's overall information management and dissemination infrastructure and will facilitate both identification and direct retrieval of government information.

One VA IT Vision - The Department developed the One VA Vision of Information Technology Enhanced Customer Support to guide the operational, tactical, budget and capital planning for all future information technology initiatives for the entire Department. This IT Vision describes ways of using technology to improve customer service and to make VA appear seamless to veterans.

Modular Contracting - Policies and procedures were established to allow removal of controls to allow the CIO's office and Administration and Staff Offices within VA to acquire IT resources from the contract vehicles promoting the incremental concept of "Modular Contracting." Various contracts and Blanket Purchase Agreements were awarded for personal computer hardware and software. The contracts are also available for use, on a non-mandatory basis by other agencies to satisfy their requirements, within the scope of the contract.

## **Information Security Program**

VA's CIO made information security a principal agenda item for VA's information technology program. Efforts were pursued from a department-wide perspective, concentrating on areas where consistency and balance across the Department are essential. A strategic investment of approximately \$83.3 million is planned over the six-year period FY 2000-FY 2005.

## **Implementation of Electronic Document Management System**

In early 1994, the VA Chief of Staff expressed an interest in the application of document imaging to improve processing of correspondence for the Secretary's signature. This correspondence included letters from veterans and their families, Congress, the White House, other government agencies, professional organizations and the general public. At that time the correspondence was tracked using an outdated application developed by VA.

A commercial system was selected and pilots with fewer than 200 customers were begun. After several months of successful pilot operation, expansion funding was approved in August 1996. This funding provided for growth to accommodate over one thousand customers. EDMS became an official VA System of Records in April 2000.

## Year 2000 Compliance

VA's CIO began the \$231 million Year 2000 Program in earnest in December 1995. VA identified 318 software applications representing more than 17 million lines of code that support VA's mission critical functions such as benefits delivery and health care. In addition, VA identified an inventory of 564 external data exchange interfaces. VA also has a \$4 billion dollar inventory of medical devices supplied by more than 1300 manufactures.

VA successfully transitioned into the Year 2000 with no significant Year 2000 IT incidents. VA remained on a "Green" operational status throughout the date rollover period as well as leap year date rollover. Veterans' benefits were paid on time and our health care facilities remained open throughout the date rollovers. VA also completed checks at our Headquarters offices, 172 medical centers, 58 regional offices, all national cemeteries and data processing centers. These checks found that these facilities were operational and no Year 2000 problems were encountered. This successful transition into the Year 2000 reflects the hard work performed nation-wide by VA employees to make VA's systems Year 2000 compliant. In recognition of our Year 2000 progress, Congressman Stephen Horn, Chairman of the Subcommittee on Government Management, Information and Technology, Committee on Government Reform, awarded a final grade of "A" to VA in November 1999.

## Electronic Government

The Office of Information and Technology (OI&T) has worked to ensure that technology supported and enabled the development of One VA and enhanced delivery of services and benefits to our nation's veterans and their beneficiaries. One of OI&T's significant efforts at enabling One VA has been to promote integration across VA's Administrations and Staff Offices to enhance service to veterans. The *One VA Vision of Information Technology Enhanced Customer Service* (IT Vision) proposed ways in which technology could be used to meet this goal. The IT Vision was developed through interviews with key VA operations staff representing all of VA's business lines. The IT Vision defines a set of 21 IT-enhanced, functional capabilities or concepts, each of which contributes in a coordinated way to an environment of integrated customer service. The 21 concepts fall into four basic categories: Customer Support, Internal Data Sharing and Exchange, External Data Sharing and Exchange, and the Customer Service IT Infrastructure. These concepts showed how information could be readily available and shared both within and outside VA. Most of the Vision concepts are in the process of being established or have been implemented.

A significant technology that became prominent during the last eight years is the Internet and Intranet. This technology is key to achieving the goals and promise of electronic government. Recognizing this, in May 1999 OI&T, on behalf of the VA CIO Council, chartered 1999 an Internet Users Work Group (IUWG). The IUWG was made up of representatives from each Administration, Staff Office, the VA Webmasters Group, the VA IT Security Group, the Telecommunications Staff and four VHA VISNs. The IUWG mission was to identify and organize development of departmental level policies and strategies needed to guide the advantageous deployment and use of Internet technology by VA organizations, employees, contractors and customers. Department-wide policies and strategies have been developed and incorporated into a VA Handbook. The IUWG also developed privacy notification banners that

are being used at all VA Internet sites. In addition, the web page templates developed by the Veterans Focus Internet Redesign Project (VFIRP) are being used by all Internet developers to give VA web sites a One VA look and feel. Other issues that will be addressed by the IUWG include ownership, content management, standards for development tools, electronic filing, and record retention, and network capacity.

VA's Internet web pages were given a new look during the spring of 2000 as a result of VFIRP. The VFIRP was a team effort, lead by Veterans Health Administration staff with representatives from the other Administrations and Staff Offices. Focus groups made up of veterans, veteran family members, business partners, VA staff, Congressional staff, and other interested parties assessed the current VA web site and three award-winning, best-of-breed web site designs and chose the one they liked the best. Guidelines for the web sites were developed based on the recommendations coming from the focus groups. The revisions affect the VA home page and the three levels beneath it, bringing order and structure to the web site and making it easier for all of VA's customers to understand and to navigate. Templates have been created so that anyone designing deeper level pages for the VA site can use them to meet the new guidelines.

OI&T also uses information technology to fulfill its responsibilities under the Privacy and Freedom of Information Acts to ensure veterans and their dependents, Veterans Service Organizations, the military, the public, and VA employees around the world have full access to all the information to which they are entitled and need. OI&T accomplished its responsibilities by designing and contributing to the ongoing development of VA's internal web sites and its public web site. A significant achievement was the design and development of the VA Electronic Reading Room. This uniquely designed web site provides the public access to VA regulations, directives, statutes, and many other documents and material related to VA's mission and responsibilities. Several OI&T employees received a VA scissors award for their efforts in establishing this web site.

## **Office of Policy and Planning (OPP)**

In May 1991, Secretary Derwinski established the Office of Policy and Planning (OPP) to place VA's policy formulation into the strategic management process. Today, while the Office's basic functions appear not to have changed, OPP's true role and responsibilities reflect the current image of the Department. Policy and Planning's mission, in support of the Secretary, is to:

- coordinate VA's strategic planning process and implementation of the Government Performance and Results Act;
- support the development, analysis and review of VA and veterans program issues;
- use VA's quantitative, economic, demographic, and actuarial analysis capabilities to support major policy deliberations;
- serve as VA's focal point for access to and availability of official data;
- coordinate program evaluations to assess performance focusing on outcomes, quality, customer satisfaction, and management efficiencies; and
- promote management improvement tools and techniques in VA.

OPP has two major branches: 1) Policy and 2) Planning and Evaluation.

### **Policy**

The Office of Policy provides conceptual, analytical, and data/information services throughout VA and collaborates with program officials to identify and analyze strategic questions facing VA and its delivery of veterans' benefits and services. Within Policy:

- The Policy Analysis Service serves as VA's principle group responsible for analysis of department-wide policies and plans;
- The Office of the Actuary is responsible for developing quantitative information addressing trends in veteran population, benefit costs, and workload;
- The Data Development Service supports the data development, inventory, and reporting requirements for OPP and the Department.

### **Planning and Evaluation**

The Office of Planning and Evaluation oversees implementation of the Department's integrated strategic planning process. Within Planning and Evaluation:

- The Strategic Planning Service develops and manages the Department level processes that are integral elements of VA's strategic planning process;
- The Program Evaluation Service manages the operational aspects of all program evaluations conducted by the Department;

- The Management Improvement Service develops and manages quality-oriented processes at the department-level and supports individual program/project level initiatives throughout the Department.

Over the course of the Administration, OPP has changed as priorities in the Department have. In 1993 Secretary Brown approved a reorganization of OPP to establish the National Center for Veteran Analysis and Statistics (NCVAS) as a separate component to strengthen VA's analytical and statistical skills and enhance the Department's contributions to major policy debates. In a reshuffling several years later, however, the NCVAS staff was moved into the Office of Policy so that the Center's resources could more directly support policy analysis and related functions. Then, in 1997-98, Secretary West directed a further restructuring by turning the original OPP into the Office of Planning and Analysis and the Office of Policy into the Office of Program and Data Analyses. In 2000, however, Acting Secretary Goyer returned the Office name to its original Policy and Planning and Program and Data Analyses to the Office of Policy.

As a staff office, OPP's main responsibility is to support the Secretary and other VA leadership both in purely internal VA tasks and in their roles with respect to other agencies, as for example, with the Secretary's membership on the President's Domestic Policy Council. In the latter respect, OPP has coordinated the Department's participation and contributions to major interagency policy issues, represented VA on important interagency working groups, and supported the Deputy Secretary in his role as VA's representative on the President's Management Council.

Among the office's more important activities, initiatives and projects during the Administration are the following:

#### **Policy Analysis and Data Development**

- Participating on the White House's National Health Care Reform Task Force in addition to providing support to other VA personnel on the Task Force.
- Conducting a major review of the statutory, regulatory, and policy impediments to efficient VHA management, as well as developing the VA health care eligibility reform proposal to improve veterans' access to VA health care delivery.
- Preparing and editing for production and distribution the Secretary's Annual Reports (until FY 1998).
- Creating VA's Chief Minority Affairs Office (CMAO) in 1993 when Secretary Brown assigned to OPP the CMAO's statutory responsibilities, including drafting of the first biennial report to Congress. (1993-94)
- Helping to coordinate development of VA's policy regarding claims of veterans exposed to mustard gas during World War II testing.
- Developing White House policy on the President's Community and National Service program; representing VA on White House Working Groups on National Urban Policy

and Immigration Policy, helping to draft reports on government benefits and services and on legal immigration; and supporting the White House Task Force on Disability and Aging.

- Crafting VACO's compressed work schedule program – a no-cost “family-friendly” benefit to employees to enhance the workplace.
- Overseeing preparation of the Secretary's Key Issues Briefing Book (1994-96).
- Developing and providing information for the 50<sup>th</sup> Anniversary of D-Day and other World War II commemorative activities to the White House, Congress, the media, and other interested parties.
- Managing VA's relationship with the Corporation for National Service, including the Department's application for AmeriCorps grants – and interceding so that VA was included among the first-year recipients with \$500,000 in grants for programs to assist homeless veterans in Los Angeles and Houston.
- Producing information on veteran population data and projections at the national, state, and county levels, analyses of veteran data in the 1990 Census, and special analyses of minority, elderly, homeless, and nursing home veterans.

Preparing various specific reports on:

- “The Changing Veteran Population 1990-2020”, a report presenting charts, tables and graphs with accompanying text on many aspects of the current and future veteran population
- “Data on Veterans of the Korean War” in conjunction with the 50<sup>th</sup> anniversary of the start of the War and to honor veterans of the War.
- “Data on Asian/Pacific Islanders Veterans” in response to many requests for information about Asian/Pacific Islander veterans.
- “Data on World War I Veterans” to provide as much information as possible in one source on this declining segment of the veteran population.
- “Data on Women Veterans” (Expected December 2000) because they are increasing in number and need to have their socio-economic and demographic characteristics and use of VA programs presented in one document.
- Participating on the Secretary's Working Group on Homelessness. At the request of the National Coalition for Homeless Veterans, orchestrating “Winterhaven DC,” a one-day assistance fair for homeless veterans.
- Representing VA on the American Bar Association's Commission on Homelessness and Poverty (1993-95).

- Chairing over several years VACO's activities in support of the National Disabilities Employment Awareness Month program and observances.
- Providing support -- including personnel on detail -- for various Congressional activities most prominently the Congressionally mandated Veterans' Claims Adjudication Commission and the Congressional Commission on Servicemembers and Veterans Transition Assistance.
- Publishing in FY 1995 the "National Survey of Veterans" (NSV), based on over 10,000 telephone interviews with veterans, which produced valuable demographic and socio-economic information not available in VA administrative files covering both veterans who have used and not used major VA programs.
- Producing a host of reports based on the NSV and other data and arranging for an NSV 2000 to be ready next year.

Producing:

- Annual Geographical Distribution of Expenditures, compiling and presenting VA expenditures by state, county, and congressional district for five program areas -- compensation and pension, education, insurance, construction, and medical and administration;
- Quarterly Financial Assistance Awards Data System Report for the Census Bureau providing VA expenditures for specific programs identified by the Bureau;
- Statistical Appendix, a compendium of statistical data showing expenditures and workloads for a broad area of VA activities (next edition January 2001) for VA's Annual Accountability Report);
- Annual Federal Aid to States Report for the Census Bureau showing the amounts of grant funds dispensed by VA for specified programs;
- Summary of Medical Programs, providing medical workload and medical facility infrastructure data for inpatient and outpatient services at VA and non-VA hospitals, outpatient clinics, nursing homes, and domiciliaries.

Participating in complying with the Health Insurance Portability & Accountability Act (HIPAA) by chairing working groups that will define what parts of HIPAA apply to VA, finding methods to assure compliance with HIPAA, and coordinating implementation of these methods.

Producing a Study of Filipino Veterans, requested by the President, which outlines current compensation and other benefits for Filipino veterans and provides options to expand benefits

Participating in the Internet Work Group (IWG), which reports to the CIO and is charged to develop a handbook for processes and procedures associated with VA's use of the Internet.

Cochairing the Internet Policy Task Force (IPTF) to coordinate the development of policy related to VA's presence on the Internet.

Under Limited English Proficiency (LEP) Evaluation, working to establish a "Spanish" hot button on the front page of VA's Internet home page and initiating future assessments of LEP needs within VA.

Chairing intra-agency work groups and representing VA on interagency groups addressing the implementation of new race and ethnic standards in data collection.

Producing the 1999 Statistical Appendix to VA's Annual Accountability Report and beginning to prepare for the 2000 volume.

Researching and drafting the research paper: "Who is a Veteran: Definitions According to the Law".

Building a new Veteran Population Model to determine the official count of the number of veterans and project the number of future veterans.

Producing CD-ROMs containing selected reports produced by the Administrations and staff offices. These legacy reports cover specific fiscal years with one currently being produced for FY1997-1998.

Developing systems for creation, publication, dissemination and providing access to the information portfolio, and providing expertise for graphic illustrations of data and statistics to depict veteran demographics based on social trends

Developing a Bosnia Operations Plan and organizing an Operations Group anticipating increased demands on VA as a consequence of expanded deployments of US military forces overseas in support of the UN or OSCE, after the Bosnia Accords were reached in Dayton.

Representing VA on NPRG's Plain English Network and Plain Language Action Network, chairing VA Plain Language Working Group, and directing preparation of the Secretary's Plain Language Action Plan.

### **Strategic Planning and Evaluation**

- Coordinating the Department's contribution to the Vice President's National Performance Review report, "From Red Tape to Results: Creating a Government that Works Better and Costs Less."
- Arranging for VA to meet requirements of the "Government Performance and Results Act of 1993" which called for strategic planning for all USG agencies.
- Supporting the Secretary in preparing VA's first internal five-year strategic plan containing the overall goals and objectives for VA's major functions and operations, and subsequently coordinating all of VA's strategic plan efforts thereafter.

- Chairing the VA Strategic Planning Working Group.
- Coordinating creation of the VA Strategic Management Group to oversee VA's strategic management process.
- Serving as the Department's primary representative with organizations outside VA for matters relating to strategic planning, program evaluation and the Department's overall implementation of the Government Performance and Results Act,
- Developing and promoting reengineering initiatives that will enable VA to meet or exceed our Strategic Plan's goals and objectives.
- Developing management improvement initiatives, quality award assessments, and benchmarking and best practice studies.
- Generally directly supporting the Secretary in developing the Secretary's Annual Statement and *One VA* Employee Strategic Plan;
- Serving as the Department's focal point for the *One VA* initiative;
- Advancing total quality management in the Department, using the Robert W. Carey Quality Award as a key inducement to encourage quality performance throughout the agency.
- Participating in the Vice President's National Performance Review (NPR) and completion of the customer service plans.
- Assisting the Secretary to execute the Performance Agreement with the President and reporting on the execution of the Agreement.
- Designing and implementing the Deputy Secretary's Scissors Awards Program, established to recognize accomplishments of individuals or groups within VA that improve processes, timeliness, and quality of service.
- Coordinating and sponsoring a VA-wide effort to address the NPR recommendation that government employees be trained in quality management.
- Managing the independent and comprehensive evaluation of programs.
- Coordinating benchmarking studies to determine the organization's effectiveness in achieving strategic outcome goals, objectives, and target levels of performance; and works with all organizational elements to identify and implement improvements.

# Office of Congressional Affairs (OCA)

## Mission

The mission of the Office of Congressional Affairs is to serve as the principal advisor to the Secretary and Department officials concerning all legislative and congressional liaison matters and to develop positive, cooperative relationships with Members of Congress and congressional committees and staff in order to accomplish the Department's legislative goals.

## Organization

The organization of the Office of Congressional Affairs consists of an Assistant Secretary, a Deputy Assistant Secretary for Congressional Affairs, and a Deputy Assistant Secretary for Legislative Affairs. In addition, the Office maintains a Congressional Liaison Service located on the House and Senate sides of Capitol Hill.

The following significant events occurred during the 102<sup>nd</sup> through the 106<sup>th</sup> Congress from 1991 to 2000.

## Significant Public Laws 102<sup>nd</sup> – 106<sup>th</sup> Congress

### 102<sup>nd</sup> Congress

- P.L. 104-4 – Agent Orange Act of 1991
- P.L. 102-25 – Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991; Persian Gulf War Veterans' Benefits Act of 1991; Persian Gulf Conflict Higher Education Assistance Act.
- P.L. 102-405 – Omnibus Veterans Health Care Bill
- P.L. 102-585 – Veterans' Health Care
- P.L. 102-590 – Homeless Programs for Veterans

### 103<sup>rd</sup> Congress

- P.L. 103-66 – Omnibus Budget Reconciliation Act of 1993
- P.L. 103-210 – Priority VA Health Care for Persian Gulf Veterans.
- P.L. 103-446 – Veterans Benefits Improvements Act of 1994
- P.L. 103-452 – Sexual Trauma Counseling

### 104<sup>th</sup> Congress

- P.L. 104-134 – Omnibus Consolidated Rescissions and Appropriations Act of 1996
- P.L. 104-262 – Veterans' Health Care Eligibility Reform Act of 1996
- P.L. 104-275 – Veterans' Benefits Improvements Act of 1996

### 105<sup>th</sup> Congress

- P.L. 105-101 – Veterans' Cemetery Protection Act of 1997
- P.L. 105-111 – Clear and Unmistakable Error
- P.L. 105-368 – Omnibus Veterans' Bill

### 106<sup>th</sup> Congress

- P.L. 106-117 – The Veteran Millennium Health Care and Benefits Act
- P.L. 106-129 – Health care Research and Quality Act of 1999
- P.L. 106-265 – Long-Term Care Security Act
- P.L. 106-419 – Veterans Benefits and Health Care Improvement Act of 2000
- P.L. 106-475 – Veterans Claims Assistance Act of 2000

## **Significant Hearing Issues 103<sup>rd</sup> – 106<sup>th</sup> Congress**

### 103<sup>rd</sup> Congress

- Agent Orange, Gulf War Veterans, Ionizing Radiation (Atomic Veterans)
- Employee Complaints Resolution
- Future of VA Health Care
- Health Care
- Homeless Veterans Programs
- National Health Care Reform
- State Health Care Reform
- Veterans Benefits Administration
- Women Veterans

### 104<sup>th</sup> Congress

- Key Issues of the 104<sup>th</sup> Congress
- Agent Orange, Gulf War Veterans, Ionizing Radiation (Atomic Veterans+)
- Eligibility Reform
- Future of VA Health Care
- Government Performance Results Act and the National Performance Review
- Government Shutdown: What's Essential?
- VA Efforts to Improve Efficiency/Reorganization
- VA/DoD Sharing
- VA Security/ Law Enforcement
- VA Vocational Rehabilitation Program
- VBA Computer Modernization Program

### 105<sup>th</sup> Congress

- Key Issues of the 105<sup>th</sup> Congress
- Burial Eligibility Criteria in Arlington National Cemetery
- Debt Collection Improvement Act of 1996

Future of the Veterans Health Care System  
Government Performance and Results Act  
Gulf War Veterans  
Hepatitis C Infection  
Homeless Programs and Transitional Housing  
Long-Term Care for Veterans  
President's Welfare to Work Initiative  
Radiation-Exposed or "Atomic Veterans"  
Sexual Harassment in the Work Place  
Veterans Equitable Resource Allocation System  
Veterans Integrated Service Network Organization  
Y2K

106<sup>th</sup> Congress

Agent Orange, Gulf War Veterans  
Bioterrorism  
Capital Assets Management  
Complementary and Alternative Medicines  
Congressional Commission on Servicemembers and Veterans Transition Assistance  
End-of-Life Care  
Fraud and Mismanagement  
Homeless Veterans Programs  
Information Technology Programs  
Medicare Subvention  
National Cemetery Administration  
VA Patient Safety Program  
VA Pharmacy Program  
VA Research  
Veterans Benefits Administration  
Whistleblower Protection

# **Office of Public and Intergovernmental Affairs (OP&IGA)**

The Office of Assistant Secretary for Public and Intergovernmental Affairs provides executive management of VA's relations with the public and other government agencies. The office coordinates the release of information VA communicates to its various audiences and the general public through the news media. It provides direct support to the Secretary and Deputy Secretary on communications and media opportunities as well as managing internal communications and support for special issue groups, special rehabilitative events for disabled and senior veterans, homeless veterans and various program activities. The office manages and directs intergovernmental, international, and consumer affairs by providing information to state and local government entities, state directors of veterans affairs, state veterans homes, the National Governors' Association and coordinates international events with the Department of State and foreign governments.

VA is unique among cabinet agencies because the services provided are delivered directly to those who Congress has directed by law to receive them—our nation's veterans and their families. That is why it is important that VA is able to communicate the benefits and services it offers on behalf of a grateful nation to those who may be eligible for them. It is also important that veterans know how to apply for and receive the benefits they have earned through their service to our nation. Finally, it is important for all Americans to know how the resources they have entrusted to VA for the care of veterans and their families are being used, and how well VA succeeds in meeting their expectations in caring for the very special men and women our Department is privileged to serve.

## **Office of Public Affairs**

The Office of Public Affairs is the Department's centralized communications organization, providing a range of information and guidance to a wide variety of audiences and organizations. Within the office, several organizations share responsibility for communicating with groups of special importance to veterans and their families. What follows is a summary of each office's major accomplishments.

## **Corporate Communications**

The appointment of Jesse Brown as the first African American veteran to serve as Secretary of Veterans Affairs marked the beginning of a period of strong advocacy for veterans. Secretary Brown communicated to all VA employees that they would "put veterans first" in everything they did on behalf of the Department. He also spoke of his role as Secretary for Veterans Affairs, with the emphasis on the word for. The Hon. Togo D. West, Jr. replaced Secretary Brown on January 3, 1998. In his speeches, Secretary West continued the emphasis on the importance of veterans to our nation. As Acting Secretary in 1997 and 2000, and Deputy Secretary at other times in the past eight years, Hershel Gober made hundreds of speeches on behalf of the Department. Many of his speeches dealt with the importance of "One VA," which may be his legacy to the Department.

## **Information Systems**

Among the major accomplishments of the Information Systems Staff have been publishing all relevant Public Affairs printed products on the Internet. This has included publications like the Federal Benefits for Veterans And Dependents booklet, which currently is downloaded by 2,000 people every day. The office has also used the Internet in an effective manner to squelch misinformation on the VA health care enrollment project. This information, on the web site, received approximately 1,000 "hits" per day for several months.

## **Internal Communications and Special Projects Service**

Every year, this service provides principal support for the Veterans Day National Committee (VDNC) and its Presidentially-directed tasks of staging the national Veterans Day ceremony at Arlington National Cemetery, supporting regional observances, and extending awareness of Veterans Day and its meaning through the school systems to the nation's youth. OPA took on principal responsibility for coordinating and administering VA support for VDNC in 1993. Highlights include selecting the first woman and first African American to serve as master of ceremonies for the event in 1994; creating a Veterans Day web site to increase the distribution of teacher's materials on the day in 1997, and reformatting the teacher's guide in 2000 for easier downloading and local reproduction to meet a dramatic increase in demand.

Other service accomplishments include:

- Directing a public information campaign and a national celebration event featuring President Clinton for the 50<sup>th</sup> anniversary of the GI Bill in 1994.
- Publishing the first Spanish version of "Federal Benefits for Veterans and Dependents" in 1995, and placing the benefits booklet on the web site in 1997.
- Implementing comprehensive media outreach efforts to reach Gulf War veterans in 1996 and 1997 through public service spots, satellite media tours and facility outreach plans; and another to reach women veterans regarding sexual harassment counseling services and other VA programs, using the same tools and national TV network interviews in 1997 and 1998.
- Providing public information support for the Stand Down 2000 campaign to reach homeless veterans, including radio and Television public service spots featuring Tipper Gore, facility support plans and print materials in 1999 and 2000.

## **Field Operations Service**

In the past eight years, Field Operations Service, with regional field offices in Atlanta, Chicago, Dallas, Denver, Los Angeles, New York and Washington, DC., has been an essential part of the communications process of the Department. Field Operations Service Regional Offices are the conduit to an array of services including guidance on a variety of internal and external issues that affect the Department; the annual OPA National Training Conference, which provides the most complete public affairs training available to field public affairs officers; and Public Affairs Council meetings, which provide small workgroup support to regional areas.

Other accomplishments include:

- Developing seven "centers of excellence", one at each OPA regional office. New York OPA further developed the national story program. Washington, DC is responsible for marketing. Atlanta is the authority on crisis communications. Chicago serves as the liaison between VA and national health associations. Denver is in charge of national customer service training and serves as the national Native American veterans liaison office. Los Angeles is VA's liaison to the film industry, and Dallas is the database education center for OPA field staff.
- Preparing a survey on the needs and preferences of minority media outlets.
- Making more than 1,500 story placements in national, international and local media through the national story program.

### **Media Relations Service**

Changes in technology influenced both how VA's media relations office gathers and distributes information. In 1992, OPA relied upon Associated Press "tele-type" machines to track ongoing developments. By 2000, a variety of Internet-based news services were in use. OPA started the period relying upon the postal service to transmit press releases. Subsequently, the office moved to fax machines, the Internet, e-mail and, in the near future, to a self-subscribing computerized "server." In November 1997, the media relations office began using a computerized database to track press queries.

In an administrative change, in February 1999, public affairs officers traditionally assigned to VA's three major administrations were transferred to the OPA media relations service, along with all responsibility for external communications and significant portions of the internal-communications mission.

### **Office of Intergovernmental and International Affairs**

The Office of the Deputy Assistant Secretary for International Affairs is a staff component of the Office of the Assistant Secretary for Public and Intergovernmental Affairs. The Office is composed of the Consumer Affairs Service, the Intergovernmental Affairs Office, the Office of Homeless Veterans Programs and the International Affairs Office.

### **Consumer Affairs**

VA's consumer affairs program began in 1979, prior to the issuance in 1980 of Executive Order 12160, regarding the establishment of consumer affairs programs in all major federal agencies.

During the 1960s and early 1970s, there was pressure, from Congress and consumer advocates outside the government, to establish a consumer-focused federal government presence. In response, and to forestall an agency proposed by Congress, the Administration opened a limited consumer affairs agency within the Executive branch. It was business-focused, and did not substantively address consumer issues from consumers' points of view.

In the late 1970s, there was increasing impetus to establish a customer-focused federal agency. Despite reluctance by Congress, President Carter initiated Executive Order 12160 that established federal consumer affairs programs in each Cabinet Department and many administrative agencies. VA was aware of that effort and, prior to promulgation of the Executive Order, established Consumer Affairs Service (CAS). Its staff members were transferred from existing VA programs.

During the 1980s, VA's program expanded its influence and its range. VA began to take seriously the concept of customer input as a segment of program planning and Consumer Affairs Service began the first "One VA" programs. CAS arranged multi-agency training programs, conducted customer service surveys, developed week-long, VA-wide consumer affairs programs, and arranged for a variety of consumer affairs programs to be presented in Central Office. During one such presentation, many staff members in Central Office met for the first time, including veterans and Vietnam veterans participating in Vet Center programs. Consumer Affairs Service also established the VHA patient representative program as an important player in the Society for Health Care Consumer Advocacy, the nation-wide professional association for health care consumer advocates. Consumer Affairs developed a specialized program for that organization's national conference that, for the first time, drew more than a hundred representatives from VA medical centers. Consumer Affairs Service initiated "One VA" activities in the early 1980s by including in the VHA-focused conference experts from VBA and NCA, as well as from the media, private industry and veterans service organizations.

Beginning in 1992, the existing consumer affairs programs in VA and other federal agencies were increasingly bypassed by the new effort titled the National Performance Review. Under the direct auspices of the White House, NPR established completely new programs, utilized new personnel and initiated new activities. The established consumer affairs programs, though technically still subject to Executive Order 12160, were reduced and eventually operated without high-level support. The national Consumer Affairs Council, comprised of representatives from all Cabinet agencies and major offices, which had existed since 1980, was closed and its programs were allowed to disappear.

Currently, Consumer Affairs Service is not assigned the role of guidance for VA-wide consumer affairs activities. Initiatives and projects that arise from NPR activities are handled by VA's Office of Policy and Planning. However, there are several important consumer affairs functions that are handled by Consumer Affairs Service and various customer service offices throughout VA. The CAS staff focuses on providing assistance and support to veterans and their families primarily through use of the Internet and the VA Website. Consumer Affairs Service received the VA Scissors Award for its activities contributing to the initial development of VA's on-line, home page-based customer services. In addition to responding directly to individuals, businesses, organizations, and others, CAS staff members provide ongoing vital input for development of an array of VA's Internet-based customer services. Staff members work with field facilities' customer service offices in resolving individual veterans' issues and in enhancing and upgrading field facility Internet-related customer service activities. The recent re-design of the VA Website focused on improving customer access, increasing VA's responsiveness and providing more timely resolution of problems. The experience and expertise of the Consumer Affairs Service, and of other consumer affairs offices, played a substantial role in that redesign.

## **Intergovernmental Affairs Service**

The Intergovernmental Affairs (IGA) Program functions as the Department's liaison in all intergovernmental affairs issues and serves as the primary contact with Federal, state and local government officials. The distribution of the workload reflects IGA's responsibilities in three component areas of the IGA Service Program: (1) Intra-VA liaison (VHA, VBA and NCA); (2) Extra-VA liaison (federal, state and local); and (3) National Rural Development Partnership.

IGA maintained VA's long-standing strong relationship with the National Association of State Directors of Veterans Affairs, an organization representing all fifty states, Guam, American Samoa, Puerto Rico, Virgin Islands and the Northern Mariana Islands; and the National Association of State Veterans Homes, representing 100 state veterans homes in 46 states. IGA also maintained VA's relationships with the National Governors Association, the National Association of State Legislatures, the National Association of Counties and many other national organizations that represent state and local governments.

The National Rural Development Partnership (NRDP) and the 37 states represented by State Rural Development Councils (SRDC) work closely with the Office of Intergovernmental Affairs to meet the needs of the 6.6 million veterans living in rural America. At least half of all SRDC's have representation by local VA officials. In the past, VA/SRDC partnerships have focused on a variety of rural issues including telemedicine in Alaska and Maryland; teletechnology in Colorado, Montana and Texas; housing in Kansas, Missouri and South Dakota; geographic information-sharing in Nebraska and Oregon; and health care delivery in Kansas, Utah, West Virginia and Wisconsin. Working with the NRDP led to the creation of an informal rural working group within VA that is coordinated by IGA.

As a result of VA's support of the NRDP, Truman Fellows are assigned to a yearlong fellowship in the Office of Intergovernmental Affairs. Over the years, each of the Truman Fellows has made a substantial contribution to VA through various projects and initiatives.

IGA has participated in numerous intergovernmental initiatives and work groups including the President's Summit for America's Future; Delta 2000 Conference and Report; Hub Zone Initiative; Millennium Activities; Community Empowerment Board and DC Reads This Summer.

Intra-Agency Actions/Partnerships have included working on the VA's HIV/Working Group; the Secretary's Homeless Working Group; the Military Honors Roundtable; and the Scenario Working Group for 2025 which was designed to come up with long-term strategic planning objectives.

## **Homeless Veterans Programs**

The federal government has a tradition going back to the post Civil War era when soldiers' homes were created in the late 1860s to assist war-disabled veterans. By the late 1980s, Congress created veteran specific homeless services.

## Liaison Activities

- **Interagency Council for the Homeless (ICH)**

The ICH serves as the federal coordinating group to assist homeless persons. VA has been an active member of the ICH since it's founding. VA's Secretary has served as co-vice-chair. VA's Director of Homeless Veterans Programs serves as VA staff representative to the ICH.

- **Veteran Service Organizations -- Homeless Veterans Task Force**

At the request of the White House Domestic Policy Council, VA established periodic meetings with national veterans' organizations where national concerns about and availability of services for veterans who are homeless are heard.

## Intra Agency Actions/Partnerships

- **Secretary's Homeless Working Group** - VA has the largest standing intra-Department effort to assist homeless persons of any cabinet Department. Since 1987, VA has met with representatives from staff offices and administrations.
- **Veterans Health Administration (VHA)** manages a number of health care programs designed to assist homeless veterans.
- **Health Care for Homeless Veterans (HCHV)**, VA's largest program for homeless veterans began at 43 medical center sites in 1987. HCHV programs are now operating at or connected to 135 VA medical centers. More than 28,000 veterans are seen annually through these programs.
- **Domiciliary Care for Homeless Veterans (DCHV)** is a hospital-based program with extensive rehabilitative residential services. This program had 20 sites in 1987-88 and has increased to 35 sites by 2000. While the number of sites have not dramatically increased the number of veterans has increased from 1,121 in '87-'88 to 5,491 in '99.
- **The Homeless Providers Grant and Per Diem Program**, VA's newest and most active program to assist homeless veterans was initiated in 1994 with 33 grants awarded to eligible entities in 16 states. Since 1994, VA has awarded 243 grants in 44 states and the District of Columbia. Eighty-five vans to transport veterans to medical and benefits services and nearly 6,000 transitional housing beds with services will be created when all current grant awards are completed. In the spring of 2000, VA for the first time offered per diem only support. This two-year limited offering was approved for 53 eligible entities and will provide assistance to create 700 beds with services.
- **VA Community Homelessness Assessment, Local Education and Networking groups (CHALENG) for Veterans** calls upon VA to assess the needs of homeless veterans in the area, coordinate with governmental and non-governmental entities, develop local resource directories, and develop local action plans to address unmet needs. Thousands of interested parties respond annually to these meetings.
- **Veterans Benefits Administration (VBA)** - VBA staff for decades have visited soup kitchens, shelters and homeless transitional housing programs to assist veterans with benefits information. In 1999, VBA outreach efforts referred 5,690 veterans to assistance programs. VBA staff contacted nearly 7,500 community organizations in their outreach effort.
- **VBA's Loan Guaranty Services** has responsibility for improving housing opportunities for veterans. Some foreclosed single-family homes have been made available for lease or sale at deep discount to eligible entities that provide services to homeless people. A total

of 46 leases to homeless services have been executed and 165 foreclosed properties have been sold to homeless service providers since this program began in the early 1990s.

- **National Cemetery Administration (NCA)**, at more than 25 national cemetery sites, has contracted to provide services (lawn maintenance, head stone cleaning and maintenance) with more than 100 veterans, many formerly homeless, who gain therapeutic work experiences at our nation's final resting places for America's veterans.

## **Inter Agency Actions, Programs and Initiatives**

- **AmeriCorps – “National Collaboration for Homeless Veterans”**. In 1994, VA created the “National Collaboration for Homeless Veterans” in an effort to bring veterans who had been homeless into positions of full and part-time AmeriCorps members and to enhance services for homeless veterans in communities. More than 500 full and part-time AmeriCorps members have gone through this program.
- **Stand Down 2000 – White House Millennium Project**. Since 1988, VA has assisted in outreach efforts to assist Veterans called Stand Downs. VA identified Stand Down 2000 as one of its White House Millennium Projects. As calendar year 2000 comes to a close 47 states, the District of Columbia, and Puerto Rico have been part of the more than 200 stand downs that occurred nationwide.

VA was a significant contributor to both “Priority Home - The Federal Plan to Break the Cycle of Homelessness”, and “Homelessness: Programs and the People They Serve – Findings of the National Survey of Homeless Assistance Providers and Clients.”

## **International Affairs**

The responsibility for agency-wide international issues was assigned to the Deputy Assistant Secretary (DAS); for Intergovernmental and International Affairs in the Office of Intergovernmental and International Affairs in October 1998. The International Affairs Office is a component of the Office of Intergovernmental and International Affairs.

The International Affairs Office, through its subject-matter exchanges, provides a venue for the exchange of ideas on how best to serve veterans in the United States and worldwide. Working together with other Department elements, the International Affairs Office assists countries in developing programs to better serve their veterans and help to foster U.S. bilateral relations with participating countries. The International Affairs Office is responsible for coordinating with foreign governments all international commemorative events to include the anniversary of foreign wars, battles, and official recognition by foreign governments of U.S. veterans. It is also responsible for reviewing agency-wide foreign travel for the Secretary of Veterans Affairs and for reporting to the Department of State on all foreign gifts given and received by Department officials.

Since its inception in 1998, the International Affairs Office has hosted 22 senior level foreign delegations. The Office worked closely with the French government in identifying WWI veterans to receive the French Legion of Honor (Chevalier de la Legion d' Honour), the highest military medal awarded by the French government. More than 500 U.S. veterans received this prestigious honor in recognition of their contributions to the cause of freedom and democracy.

The office also assisted in coordinating the visit by the official presidential delegation, headed by the Secretary of Veterans Affairs, to Seoul, Korea, for the 50<sup>th</sup> Anniversary of the Korean War.

It is anticipated that VA's international program will continue to expand and will continue to serve to showcase the Department's accomplishments to the international veteran community and to foster U.S. security interests worldwide.

## **VA National Rehabilitative Special Events**

The VA National Rehabilitative Special Events program coordinator reports directly to the Assistant Secretary for Public and Intergovernmental Affairs.

The purpose of these special events is to preserve and facilitate the continued existence and longevity of disabled and aging veterans by developing a long-term strategic plan that will ensure their uninterrupted growth and development."

In the early to mid-1980s, the Department of Veterans Affairs (VA) established four national rehabilitation special events to showcase the extensive rehabilitative therapy provided at VA medical centers and clinics across the country. Completely funded by donated funds, these four events have had a profoundly positive effect on the health and quality of life of the veterans we serve. They are truly about changing the lives of America's disabled and aging veteran populations.

These four VA national special events include the National Veterans Wheelchair Games, the National Veterans Golden Age Games, the National Disabled Veterans Winter Sports Clinic, and the National Veterans Creative Arts Festival.

## **The Four National Events**

### **National Veterans Wheelchair Games**

The National Veterans Wheelchair Games grew out of VA's historic involvement in wheelchair sports. The first National Veterans Wheelchair Games were held in Richmond, VA, in 1981, with 76 athletes from 14 states competing in five different wheelchair sports. Veterans with spinal cord injuries, amputations, or certain neurological problems participate in the sports competition events using wheelchairs. In 1985, the Paralyzed Veterans of America (PVA) joined VA as a co-producer of the Games.

Much of its growth has taken place in the last seven years, rising from 460 competitors in 1994 to 587 athletes from more than 41 states attending the 20<sup>th</sup> National Veterans Wheelchair Games in San Antonio, Texas, in July 2000. The wheelchair athletes in San Antonio competed in 17 different events.

## **National Disabled Veterans Winter Sports Clinic**

The first National Disabled Veterans Winter Sports Clinic was held in 1987 at the Powderhorn Ski Resort outside Grand Junction, Colorado, with nearly 90 participants. It now serves more than 325 disabled veterans and has doubled in size under the current administration. It is the largest adaptive skiing event and a unique rehabilitative event. Disabled veteran skiers come to the Clinic with a wide range of disabilities; including quadriplegics, paraplegics, amputees, veterans with neurological problems, blindness, or visual impairment.

In 1991, the Disabled American Veterans (DAV) joined VA as a co-sponsor. Their support, and the corporate sponsorship they manage, has helped expand our horizons and represents an excellent example of a public, private, and government partnership.

The Winter Sports Clinic offers profoundly disabled veterans the chance to discover all that life still has to offer, despite their disabilities. In addition to providing one-on-one instruction on adaptive Alpine and Nordic skiing, the Winter Sports Clinic gives disabled veterans exposure to such exciting activities as scuba diving, snowmobiling, rock climbing, wheelchair basketball, sled hockey, and self-defense techniques. By the end of the event these athletes reach one universal conclusion — life's everyday challenges seem much more surmountable when compared to conquering a slick, snow-covered mountainside. Along the way, they inspire all able-bodied Americans to catch their spirit.

## **National Veterans Golden Age Games**

The National Veterans Golden Age Games is VA's "fountain of youth" for our nation's rapidly aging veteran population. The Golden Age Games is a multi-event sports competition and therapeutic recreation program for veterans 55 years and older, who are receiving care through a VA medical facility. It is the premier senior adaptive rehabilitative program in the United States, and the only national seniors' program designed to improve the quality of life for older veterans with a wide range of abilities and disabilities. This event reflects VA's mission — to provide quality programs and health care for America's aging veteran population.

The Veterans of Foreign Wars (VFW) has been the greatest supporter of this event, and VFW will become its co-sponsor in 2001.

Over the past seven years the Golden Age Games has had to adapt to meet the more specific needs facing our aging veterans. As with the "Senior Olympic" programs, the Golden Age Games has consistently provided separate age groups and gender divisions where needed. However, because most of our veterans are facing some kind of medical problems, VA has added events for veterans with low motor skills, wheelchair and visually-impaired divisions, and have adapted the basic rules in recognition of the various degrees of physical conditioning, motor and cognitive skills of the veteran participants. This has made the Golden Age Games a truly adaptive therapeutic sports competition that can be used as a model for other local, state, and national senior competitions outside VA. The National Veterans Golden Age Games is the most progressive and adaptive rehabilitative senior sports program in the United States and world.

For the past seven years, we've seen the aging Vietnam veteran population enter the Golden Age Games in greater numbers each year. However, we've also seen the largest number of participants by age group become the 70 - 74, 75 - 79, and 80 and up age groups.

### **National Veterans Creative Arts Festival**

The National Veterans Creative Arts Festival is different from the other three national rehabilitation events because it uses the arts, instead of sports and recreational activities, as therapy. The arts festival grew from two separate programs; a music competition first held in 1981, in Waco, Texas (as an observance of the International Year of Disabled Persons), and a visual arts competition held in 1982, in Richmond, VA. The festival is the only national event in which veterans' participation is a year-long process. Veterans enter one or more of four separate competitions in music, drama, dance, and the visual arts. With the support of the current administration, this event has tripled in size in the last seven years. In 1993, 1,000 veterans from 78 VA medical facilities participated. In 2000, 2,933 veterans, representing 96 VA facilities, entered the competitions.

In 1999, a 14-piece exhibit representing national first-place winning entries from the visual arts division was presented on Capitol Hill in Washington, DC.

We applied for and were granted partnership with the White House Millennium Council in the year 2000, and this year's festival was an official White House millennium event. The 2000 festival also added a new category of art focusing on personal experiences from the Vietnam War. The 20-piece exhibit of entries in this category will be featured at the National Vietnam Veterans Art Museum in Chicago, Ill. The 2000 festival was co-sponsored by Help Hospitalized Veterans.

### **The National Rehabilitation Special Events Management Group**

When this administration first came into office, the four annual events were (and continue to be) on the cutting edge of innovative rehabilitative programs, providing a profoundly positive effect on the health and quality of life of the veterans.

The Veterans Health Administration provided the environment for the establishment of these national programs. In a very short time, this administration came to realize that there should be no uncertainty about the future of these outstanding events. From 1992 to 1999, the administration, through staunch support of the four annual programs, made sure they each received the resources and staff they needed to grow and flourish.

In 1999, Deputy Secretary of Veterans Affairs, Hershel W. Gober, and Assistant Secretary for Public and Intergovernmental Affairs, John Hanson, felt it was time to elevate the level of management given to these four events. This was undertaken to provide long-term solutions and to ensure the perpetuation of these remarkable programs for the benefit of our nation's veterans. Using the resources of the entire Department to ensure that challenges are adequately met, and also to help make certain that the events are preserved and strengthened, they established the "VA National Rehabilitation Special Events Management Group" in September 1999, and gave it the following mission and goals:

## **Management Group Membership**

The Management Group is Chaired by the Deputy Secretary of Veterans Affairs, and Vice-Chaired by the Assistant Secretary for Public and Intergovernmental Affairs. Key membership includes the director of each of the four events, public affairs director, medical director, fiscal/budget director, general post fund member and representatives of each of the three major VA administrations, the Veterans Health Administration, Veterans Benefits Administration, and National Cemetery Administration.

Many of the goals of the Management Group have already been reached. Our current goal is to enact a charter to make this Group not only effective, but also official.