



Transformation Update

NOVEMBER 2016



U.S. Department
of Veterans Affairs



A word to fellow **VETERANS**

Dear Fellow Veterans,

One hundred and fifty years ago, November 1, 1866, the National Asylum for Disabled Volunteer Soldiers in Togus, Maine, officially opened its doors to Union soldiers. These soldiers had courageously fought for the sake of the simple truth that “all men are created equal.” They’d sacrificed for those unalienable rights we cherish—“Life, Liberty and the pursuit of Happiness.” And they brought us closer to “a more perfect Union,” the same that brave young men and women volunteer to defend still today.

Our Nation’s first tangible answer to President Lincoln’s call “to care for him who shall have borne the battle and for his widow, and his orphan” was that facility in Togus, the cornerstone of a network of National Homes that would become the Veterans Administration in 1930, that in 1988 President Ronald Reagan would take from an Agency with an Administrator to a cabinet-level Department with a Secretary.

On this diamond anniversary, I’m pleased to share our third update on *your* MyVA Transformation, and I’m excited to report that we’ve made irreversible progress over the last few years. We’re changing VA into a world-class service provider. We’re transforming all of VA—changing the entire Department, not just parts of it—and putting the needs, expectations, and interests of you and your families first, putting you in control of how, when, and where you wish to be served.

Guided by Veterans’ needs, we’ve left old, unresponsive ways of doing business behind. We’ve changed leadership. We’ve added staff. We’ve adjusted policies. We’re eliminating bureaucracy and unproductive work. We’re encouraging innovative approaches to serving Veterans, and we’re promoting best-practices and sharing them across the Department. In short, we’re making VA the high-performing organization it can be, and that all of you, my fellow Veterans, expect and deserve.

Our enduring **Mission** is caring for Veterans. It’s the most noble mission there is. We’re proud of our admirable **I-CARE Values** of Integrity, Commitment, Advocacy, Respect, and Excellence. They’re foundational to doing the right thing for you and being good stewards of taxpayer dollars. Today, our **Vision** is a Veterans Affairs that’s the No. 1 customer-service agency in the Federal government.

We’re laser-focused on improving the Veteran experience, improving the employee experience, achieving support services excellence, establishing a culture of continuous performance improvement, and enhancing strategic partnerships.

Our five **MyVA strategies** are your strategies. They’re about rebuilding trust with you, your families and survivors, and the American people. They come from looking at VA from your perspective, then doing everything we can to make your experience effective and engaging. You told us you want an experience that’s easy, consistent, and memorable, and these strategies are harnessing VA’s immense scope and scale so we can give every eligible Veteran just that—an exceptional experience.

Achieving our Vision is in reach. I think President Lincoln would be proud.

Transformation is a marathon. It’s not a sprint. It takes several years to turn any large organization around, and we’re going to continue working hard. We must maintain our momentum of change. It will take the President’s continued devotion. It will take the continued strong support of Veterans Service Organizations, stakeholders, and local communities. It will take all of us. And it will take the cooperation and support of Congress. That’s an absolute certainty.

My greatest concern right now is seeing our MyVA Transformation continue to completion.

Members of Congress have taken some essential steps in making sure we have what we need to continue to transform, but there’s more they can do. There’s more they must do. A period of transition is upon us. So now’s the time to put politics aside and do what is best for Veterans.

During the Lame Duck Session, this 114th Congress has one final opportunity to do what’s right for Veterans. The 114th Congress must act on key pieces of legislation like appeals modernization, the 80-hour pay period waiver, special pay authority for VA health care senior managers, and others. Otherwise, we risk prolonging eminently surmountable challenges that have plagued you and your VA for far too long.

We’ve all worked together on these pieces of legislation. Now, Congress should fulfill its responsibility to Veterans and their families by taking immediate action.

Administrations change. But our Nation’s collective commitment to Veterans shouldn’t.

It has been my honor to serve you over these last two years. God bless all of you and your families and the United States of America.

Sincerely,



Bob McDonald

Introduction

In July of last year, we published the [MyVA Integrated Plan and Overview](#) that described the focus, approach, and outcomes for our MyVA Transformation. Last May, we updated Veterans and stakeholders on progress measured against our 12 Breakthrough Priorities in our [MyVA Transformation Update](#).

This [MyVA Transformation Update](#) brings our report to date and introduces the MyVA plan for 2017 and beyond.

Our Mission

On March 3rd, 1865, President Lincoln signed the legislation that would establish for Veterans a network of national facilities—the National Homes for Disabled Volunteer Soldiers. The very next day in his Second Inaugural Address, he gave a vision of healing to a wounded Nation. He counseled, “. . . let us strive on to finish the work we are in, to bind up the Nation’s wounds, to care for him who shall have borne the battle and for his widow and his orphan. . . .”

The Department of Veterans Affairs derives its mission from President Lincoln’s Second Inaugural—to **care for those “who shall have borne the battle” and for their families**. We reverently repeat those words. They’re a reminder for us and the entire Nation that caring for Veterans is a shared, honored responsibility. We count ourselves immensely fortunate to work in an organization with the noblest and most respected mission in government—serving this Nation’s Veterans.

Our Values

In his [first message to VA employees](#) as Secretary of VA, Bob McDonald reminded all of us, “We have strong institutional values—**Integrity, Commitment,**

Advocacy, Respect, and Excellence. We will all need to depend on, and live by, our values as we rise to meet the challenges ahead.”

Then he asked every VA employee to join him in reaffirming our commitment to these shared values. Every VA employee did, and we reaffirm that commitment every year. We’re all proud of our admirable values. They’re foundational to doing the right thing for Veterans and to being good stewards of taxpayer dollars.

Everything we’re doing is built on our values.

Our Vision

Veterans Affairs as the No. 1 customer-service agency in the Federal government—that’s our vision. It’s guiding all our efforts.

It’s simple. It’s achievable. And we’re getting there.

Our Strategic Plan

The [Department of Veterans Affairs Strategic Plan FY 2014-2020](#) describes our **three Strategic Goals** to achieve our mission: **empower Veterans** to improve their well-being, enhance and develop **trusted partnerships**, and manage and improve VA operations to deliver **seamless and integrated support**.

On August 9, 2014, Secretary McDonald told his [first Veterans Service Organization audience](#) that “VA has a good strategic plan.” He said, “I believe in it. We just have to make sure that every day we are working together to execute that strategic plan and accomplish those goals.”

In October 2015, we updated our **Agency Priority Goals** to better address the challenges Veterans were experiencing, while keeping faith with Strategic Plan 2014-2020. Our four 2016-2017 Agency Priority Goals are to Improve Veterans Experience with VA, Improve VA Employee Experience, Improve Access

to Health Care as Experienced by the Veteran, and Improve Dependency Claims Processing.

A NOBLE MISSION.
HONORABLE VALUES.
AN ACHIEVABLE VISION.
AN EFFECTIVE STRATEGIC PLAN.

MyVA Strategies

To achieve customer-service excellence across VA, we've been relying on five strategies.

On July 22, 2014, Secretary McDonald promised Congress, all Veterans, and all Americans that, if confirmed, he would “renew the Department’s Strategic Plan and ensure it is properly deployed.” That commitment helped define our five **MyVA Transformation Strategies**.

- ✓ Improving the Veteran experience.
- ✓ Improving the employee experience.
- ✓ Achieving support services excellence.
- ✓ Establishing a culture of continuous performance improvement.
- ✓ Enhancing strategic partnerships.

These strategies were shaped by the advice of the President, members of Congress, thousands of Veterans, leaders of our Veterans Service Organizations, our employees, and many other stakeholders. We were listening.

Improving the Veteran experience means making every contact between Veterans and VA predictable, consistent, and easy. That kind of customer-service experience begins with respectfully receiving our Veteran-clients. But it’s science, too. That’s why we’ve been heavily focused on human-centered design, process mapping, and working with world-class design firms and companies to help us make

every interaction with Veterans better.

Improving the employee experience means we’re embracing our employees and empowering them to serve Veterans, and each other, well. We can’t make things better for Veterans without improving our employees’ work environment. It’s no coincidence that the best private-sector customer-service organizations are also among the best places to work.

Improving internal support services means enabling all employees and leaders by bringing our Informa-





tion Technology (IT) infrastructure into the 21st century. Our scheduling system dates to 1985. Our Financial Management System is written in COBOL, a dead computer language dating back to the late 1950s. That's unacceptable. It impedes our efforts to serve Veterans.

Establishing a culture of continuous improvement means applying Lean strategies and other performance improvement capabilities to help employees improve processes and build VA into a learning organization marked by a culture of continuous improvement.

Enhancing strategic partnerships means continuing to expand partnerships that extend the reach of benefits and services available for Veterans and their families.

Our MyVA strategies are about **customer-service excellence**. Guided by those five strategies, our transformation initiatives and management reforms are building VA into a high-performing organization.

A High-Performing Organization

The high-performing organization Veterans deserve and taxpayers expect is a VA with clear purpose, with strong values. It's a VA with sound strategies

and innovative leaders and employees designing systems and processes that anticipate and respond to Veterans' evolving needs and expectations. It's an integrated Veteran-centric enterprise diffusing excellence across the entire department. And it's a VA leveraging our unmatched strategic advantage of scope and scale for every single eligible Veteran and family members who choose to let us serve them.

Rebuilding trust with our Veterans and the American people and growing the Department into the high-performing organization Veterans and families deserve has meant combining functions, simplifying operations, and providing Veterans care and services so that they see Veterans Affairs as *their* Veterans Affairs.

Here are some examples of what VA as a high-performing organization looks like. In 2016 for the 8th consecutive year, J.D. Power rated VA's mail-order pharmacy "Among the Best." For six of the last eight years, VA received the highest customer satisfaction score among all mail order pharmacy organizations surveyed.

Our National Cemetery Administration maintains 4.3 million gravesites in 135 national cemeteries. Seventy-four percent of interments are currently scheduled within two hours or less. And families of Veterans can now determine the benefits eligibility status of their Veteran loved ones before passing, so they can plan ahead for those difficult moments. All that while achieving excellence in customer satisfaction. For the sixth consecutive time, NCA scored **highest in customer satisfaction** among the nation's top corporations and federal agencies in an independent survey conducted by the CFI Group utilizing the science of the American Customer Satisfaction Index (ACSI).

Our Vision is to be the No. 1 customer-service agency in the Federal government. We want to hear Veterans talking about VA as *MyVA*. That is, a world-class,

customer-focused, Veteran-centered service organization of which they are proud.

Breakthrough Priorities for 2016

The execution cadence of high-performing organizations dictated that we move-out quickly to achieve our vision for Veterans. Our **12 Breakthrough Priorities for 2016**—all informed by our stakeholders—have been serving as a catalyst for faster change.

The faster, more productive operating rhythm has been quickly delivering better and better outcomes for Veterans. Designed to achieve meaningful, near-term improvements for Veterans, the 12 Breakthrough Priorities for 2016 have been propelling us toward the longer-term successes of the MyVA strategies and realization of our Vision.

Our eight priorities for Veterans have been improving the **Veteran Experience**, increasing **Access to Health Care**, improving **Community Care**, delivering a **Unified Veteran Experience**, modernizing **Contact Centers**, improving the **Compensation & Pension Examination**, developing a **Simplified Appeals Process**, and continuing to **Reduce Veteran Homelessness**.

Four of the priorities have stimulated critical enablers reforming internal systems and giving employees the tools and resources they need to begin consistently delivering an exceptional Veteran experience. That's meant improving the **Employee Experience**, staffing **Critical Positions**, transforming our **Office of Information & Technology**, and transforming our **Supply Chain**.

In January 2016, our 12 Breakthrough Priorities received a warm response from Congress—both the [Senate Committee on Veterans' Affairs](#) and the House Veterans' Affairs Committee. And thanks in large part to these priorities, the delivery of timely care and benefits to Veterans is continuing to improve. We're laser-focused on the right efforts to best serve

Veterans and their families and survivors.

These MyVA strategies are transforming VA, modernizing VA's culture, processes, and capabilities to put the needs and interests of Veterans and their families first. And we've made irrefutable progress changing VA over these past two years.

In fact, **Veterans and employees are telling us they're feeling the difference**. And as a more integrated enterprise and future high-performing organization, **VA is acting differently**, too.

VETERANS ARE FEELING THE DIFFERENCE.

Innovation is delivering. Veterans are noticing. Our experience metrics show that nearly 60 percent of Veterans surveyed in June 2016 “trust VA to fulfill our country's commitment to Veterans.” That was up from 47 percent less than six months earlier in

When most others have forgotten many of our Veterans, you'll still know their names—because you see them every day, etched in stone or cast in bronze. Your willingness to accept the obligation to serve our fallen heroes and their families speaks volumes about who you are. . . .

— CHIEF OF STAFF BOB SNYDER
NATIONAL CEMETERY ADMINISTRATION
INTERN GRADUATION
August 22, 2016

December 2015. And now, 74 percent of Veterans report they get the services they need, up from 65 percent a year ago.

Here are a few reasons why.

We have emerged from the 2014 wait list crisis to create the **most accessible health care system in the United States**. This is a top priority: ensuring Veterans receive the care they need when they need it.

Same day services are one of the most important ways to improve service to Veterans. That means by the end of calendar year 2016, Veterans will have their health care needs addressed the same day at all of our VA Medical Centers—more than 160 sites of care. Currently, 87 percent of VA facilities provide same day services.

When a Veteran contacts us with medical needs, same day services mean we'll address those needs that day, or develop an appropriate plan for follow-up care. That could be in-person care, telehealth care, video telehealth, secure messaging, or some other effective option with a doctor, nurse, or health care professional. It could mean refilling a prescription. Or it could be as simple as advice and reassurance over the phone.

The needs of our **Veterans decide** the care that we give.

That *is* our pledge.

The **quality of care Veterans** are receiving at their VA facilities has compared very favorably to the quality of care patients receive in the private sector, and exceeds many measures. A **RAND study** this past summer showed that VA **performed better than the private sector** in 96 percent (45 of 47) of outpatient measures, and we performed the same as the private sector in the other 4 percent of outpatient measures.

So it's not too surprising to hear that 82 percent of VA Medical Centers (120 of 146) have made **improvements** in overall quality between the fourth quarter of FY 2015 and the third quarter of FY 2016, according

to our internal **Strategic Analysis for Improvement and Learning (SAIL)** measures.

What's **SAIL**? SAIL's the tool we use to measure Veteran health care outcomes at every VA Medical Center. It measures around patient satisfaction, length of stay, coordination of care, safety, and mortality, among 26 quality and efficiency measures. It is a roadmap for delivering better health care outcomes for Veterans.

SAIL has become one of the most widely used management tools in the Department, emphasizing relative performance and absolute improvement simultaneously. While most health care industry report cards are updated annually—sometimes using data two or three years old—SAIL is updated quarterly at every VA medical center. VA hospitals can stay up-to-date on their progress and continue to make improvement using the latest information available.

Since October of 2014, we've been integrating the quality of care delivered to Veteran as measured in SAIL into every medical center director's performance objectives. And the enterprise-wide improvement of the magnitude we're seeing is attributable to a number of factors related to SAIL:

- ✓ Leadership engagement at all levels of the organization in VA and VHA
- ✓ Health care system staffs working hard and staying focused on outcomes for Veterans
- ✓ SAIL education and training programs improving leaders' analytic and performance improvement capacities
- ✓ SAIL early warning system to monitor hospitals at risk of experiencing declined performance
- ✓ Trigger systems for Access, Outcomes, and Productivity
- ✓ SAIL assistance programs.

SAIL assistance programs include, for instance, face-to-face engagements between SAIL experts and medical center leadership and staff that facilitate sharing of best practices and consultation support to VA Medical Centers in areas where they have the greatest opportunities for improvement.

And SAIL data is publicly available on [VA's Quality of Care Website](#) for Veterans, their families, and their caregivers so that they can make educated health care decisions. The Quality of Care site includes SAIL data tables for every VA medical center since FY 2012Q4.

How good is SAIL? The chief medical officer of one of the largest health care organizations in America said that if he had SAIL in his organization, he'd implement it tomorrow.

Veterans can enroll for their VA health care more easily now. We amended enrollment regulations so Veterans can **complete applications for health care by telephone**—no more need for a signed, paper application. Launched June 30, this new option has dramatically cut enrollment times to just 24 minutes.

And we're on track to see 50 percent of Veterans enrolling by way of [Vets.Gov](#). That's a significant increase over only 10 percent online enrollments the year before. And don't worry—an electronic signature will do. By the way, Vets.Gov will mean \$32 million in cost savings its first year.

Before we look at improvements in access we're seeing these days, let's take a look back. By the end of Fiscal Year 2015, Veterans already had nearly **four million more appointments** than they did in the year prior (FY 2014). Nearly 17 million of those FY 2015 appointments were in the communities

FY16Q3 SAIL Quality Star Percentile Cut-Off

Overall Quality FY15Q4-FY16Q3 ¹	Top 10% 5-Star	11–30 th % 4-Star	31–70 th % 3-Star	71–90 th % 1-Star	Bottom 10% 1-Star	Total
Meaningful Improvement	8	18	35	20	9	90
Small Improvement	3	7	13	5	2	30
Trivial Improvement	1	3	3	3	1	11
Trivial Decline	3	1	0	0	1	5
Small Decline	1	1	2	0	1	5
Meaningful Decline	1	1	2	0	1	5
Total	17²	31²	55	28³	15³	146⁴

Notes

- ¹ Magnitude of Improvement/Decline excluded 30-day wait times and PSI.
- ² A hospital with Quality score in the Top 10% may have been demoted to 4-Star if having acute care SMR and/or SMR30 in the highest 20% in VA (high mortality). An equal number of 4-Star hospitals are promoted to 5-Star to maintain a 10% hospitals having a 5-Star rating.
- ³ A hospitals with Quality score in the bottom 10% may have been promoted to 2-Star if they performed better than bottom quintile health systems in private sector. No hospitals will be demoted to 1-Star as a result of this. Thus, the proportion of hospitals having a 1-Star rating could be less than 10%.
- ⁴ This includes all 128 SAIL main hospitals and 18 ad hoc hospitals. The ad hoc hospitals receive Quality scores calculated based on performance relative to the SAIL main hospitals on available metrics but do not receive Quality star.

where Veterans live, and nearly 57 million were appointments in their own VA facilities.

We're still getting better. In FY 2016 Veterans, had nearly 58 million appointments in their own VA facilities—that's about 1.2 million more in-house than in FY 2015, and almost **3.2 million more in-house** than they had back in FY 2014. We're waiting on FY 2016's care-in-the-community numbers, but we anticipate seeing similar year-on-year growth in community care as we've seen before.

In March, Veterans **set a record for completed appointments**. 5.3 million were inside VA. That's 730,000 more than two years ago in March 2014. And VA issued 268,000 authorizations for care in the community, twice as many as March 2014. We can do that, in part, because we now offer a network of more than **350,000 community providers**. That's a 45 percent increase in community providers over the last year.

In September, more than 96 percent of appointments were completed within 30 days of the clinically indicated or Veteran's preferred date. Over 90

We have taken ownership of our problems and are building back the trust of Veterans by making lasting progress, including in access to VA care. We are providing more care than ever before, and while we're doing that, we're also improving the quality of the care we're providing. I see it every day when I review the data, and I hear from Veterans every time I visit one of our medical centers. It was a very different story two years ago. . . .

— DEPUTY SECRETARY SLOAN GIBSON
REMARKS TO THE NATIONAL ASSOCIATION
OF STATE DIRECTORS OF VETERANS AFFAIRS,
August 23, 2016

percent met the 14-day mark. Over 85 percent were completely within seven days, and over 22 percent were actually completed on the same day. And at the end of September, Veterans' **average wait times** for their completed appointments for primary care were less than five days, less than seven days for specialty care, and under three days for mental health care. [Vets.Gov](#) is improving Veterans' access to their VA care. Naturally, we worked with Veterans to design Vets.Gov. We developed Vets.Gov "in the open." That's a new approach to building Federal systems, and we're adding new features every week. Vets.Gov

is in plain language, it's 508 compliant by design to improve the VA experience for blind Veterans, and Vets.Gov is completely accessible with mobile devices many Veterans prefer.

To give Veterans, their families, and their caretakers yet another one-stop way to access VA information they need, we launched **MyVA 311** (that's **1-844-MyVA311**), the new national VA toll free number for Veterans and their families. While existing VA numbers will remain active, the future vision is MyVA311 as the one-stop information service platform for all VA services.

At 1-844-MyVA311 (**698-2311**), Veterans, families, and caregivers can access information about VA services like disability, pension, health care eligibility, enrollment, and burial benefits, in addition to a self-service locator for the nearest medical center facility. And if they're looking for help for homeless Veterans or Veterans in mental health crisis, MyVA311 will link callers to homeless Veteran help lines and the Veterans Crisis Line.

Suicide prevention and ending Veteran Homelessness remain top priorities for VA. VA is leading in development and implementation of innovative suicide prevention approaches and resources. For instance, our mental health care is integrated with primary and specialty care to minimize barriers and help resolve problems early. And mental health care is integrated with psycho-social support for homeless Veterans.

Data from the Center for Disease Control (CDC) shows that suicide across the country has reached public-health-crisis levels. In regards to Veterans, more specifically, VA just completed and released the most comprehensive [report on Veteran suicide](#) ever produced. The report represents a level of research on Veteran suicide never previously available. It's the first truly comprehensive picture of Veteran suicide we've ever had, and it provides a nuanced illustration of Veterans' susceptibility to suicide. From data col-

lected across 50 states and four territories from 1979 to 2014, we now know that in 2014 an average of 20 Veterans died by suicide each day. One Veteran suicide is too many.

Fourteen of the 20 Veterans we are losing to suicide aren't using VA services. Since 2001, suicide rates for Veterans using VA health services have increased by 8 percent, but suicide rates for those *not* using VA health services had increased by 38 percent.

VA mental health care makes a difference.

The statistics for women Veterans are even more dramatic. While suicide rates for women Veterans increased by more than 4 percent, suicide rates for women Veterans *not* in VA care increased by 98 percent.

VA mental health care makes a difference.

So we've been expanding Veterans' mental health offerings even faster than medical service offerings. And we're employing innovations in precision medicine that can truly revolutionize mental health care delivery for Veterans.

We've designed [mobile apps](#) to help Veterans and families manage emotional and behavioral concerns. PTSD Coach is a tool for self-management of PTSD. ACT Coach is a tool for depression. CBT-i Coach is a tool for insomnia. Mindfulness Coach helps in meditation practice. And Moving Forward teaches



problem-solving skills. Those are just a few of VA's suite of 13 award-winning apps related to Veteran mental health.

We added a second [Veterans Crisis Line \(1-800-273-8255 & Press #1\)](#) hub in Atlanta, Georgia, doubling our capacity to help Veterans in need. In FY 2016, the Veterans Crisis Line answered nearly 510,000 calls, initiated the dispatch of emergency services nearly 12,000 times, handled more than 53,000 chat requests and another 15,000 texts and provided over 86,000 referrals to local VA Medical Center Suicide Prevention Coordinators ensuring Veterans were connected to care in their communities. And in November, all VA Medical Centers will have a [Press #7 Option](#) so Veterans in crisis will be transferred directly to a counselor who can help.



We've **cut Veteran homelessness in half**. Nationwide, Veteran homelessness is **down by 47 percent** since 2010. In FY 2015 alone, VA provided services to more than 365,000 homeless or at-risk Veterans in our homeless programs. Nearly 65,000 Veterans obtained permanent housing through VA Homeless Program interventions, and more than 36,000 Veterans and their family members—including 6,555 of their children—were prevented from ever becoming homeless.

To bring an effective end to Veteran homelessness, we're partnered with nearly 4,000 public and private agencies. We launched our **25 Cities Initiative** in March, 2014. A few months later, First Lady Michelle Obama announced the **Mayors Challenge to End Veterans Homelessness**. Over 880 mayors, governors, county and city officials accepted.

Those partnerships are why over 360,000 Veterans and family members have been housed, rehoused, or prevented from falling into homelessness since 2010. Those partnerships are a big part of the reason Veteran unemployment has dropped by half in the last 5 years, and unemployment for Post-9/11 Veterans has dropped by more than 70 percent. Those partnerships are why 31 communities and two states—soon we'll announce a third—have achieved an effective end to Veteran homelessness. In Los Angeles, the worst city in the country for homelessness, we cut Veteran homelessness by more than 30 percent last year—about four times the rate of decline of previous years.

Veterans' eligibility determinations are the first step to providing Veterans access to their health care and benefits. So it's important for Veterans to know that

thanks to process changes and increased automation, we completed nearly **1.3 million claims** in FY 2016. It's also important to know that's the **seventh year in a row** of more than 1 million claims. We've **reduced pending claims** (those over 125 days) by almost 90 percent, and the average wait time to complete a claim has dropped by 65 percent to 123 days.

We pay insurance death claims in an average of 4 days with 100% accuracy. We have distributed nearly \$68 billion in Post 9-11 GI Bill benefits to 1.67 million Veterans and their dependents since 2009. And we guaranteed a record 707,000 home loans and helped a record 97,000 Veterans avoid foreclosure, maintaining one of the lowest foreclosure rates in the industry.

Last Fiscal Year, VBA's National Call Centers (NCC) answered more than 4 million calls. And they reduced the blocked call rate at NCCs from 59 percent in FY 2015 to 39 percent in FY 2016. The blocked call rate last September was only 0.01 percent.

That's high-performing progress.

EMPLOYEES ARE FEELING THE DIFFERENCE.

We can't make things better for Veterans without improving our employees' work environment. We've been advancing on the proposition that it's absolutely no coincidence that the very best customer-service organizations are almost always among the best places to work. So investments in our employees, investments in their training, and investments in their successes pay dividends in how we're all better serving Veterans and their families.

We've abandoned the stifling atmosphere of rules-based cultures and embraced the tenets of a **principles-based culture** grounded in values, sound judgment, and the courage to choose the "harder right instead of the easier wrong." Our emerging principles-based culture has been empowering

These folks risked their lives for this country. And in return, all they ask is for a chance to get back on their feet, find their next mission, and keep on serving the country they love.

— FIRST LADY MICHELLE OBAMA
U.S. CONFERENCE OF MAYORS
January 21, 2016

employees to pursue innovative change and to live our I-CARE Values. It's guiding how they respond to Veterans' needs.

We've renewed and redefined our working relationships with union partners. Union leaders are part of the team, and they've had significant input into our MyVA transformation. We're continuing to work with them to address employee issues and make sure employees are involved often and early in every major decision.

Effective change often requires **new leadership**, and we made broad changes—an infusion of energy and enthusiasm in our leadership ranks. Fourteen of our top seventeen executives are new since 2014—a team of talented, principles-focused business leaders and experienced government and health care professionals.

They've been making bold, innovative changes and building responsive, Veteran-centric systems and processes designed to meet Veterans' needs. For instance, leaders want every employee talking to Veterans about the growing range of VA benefits and services, and our new **VA 101 training** has brought over 150,000 employees up-to-date on all the benefits and services that VA offers.

Over the past year, VA leaders have been improving leadership skills, teaching others, engaging their people, and building stronger, more customer-focused teams capable of delivering the highest quality Veteran experience.

[Leaders Developing Leaders](#) (LDL) training is spreading best practices across VA. Just as designed, LDL has accelerated enterprise-wide change. We launched

LDL in November 2015 with 450 of our most senior field leaders. A year later, over 24,000 Senior to Mid-Level Leaders have participated in the Leaders Developing Leaders experience. Leaders are going back to their organizations and cascading what they've learned down the chain.

Altogether, nearly 107,000 employees have participated in Leaders Developing Leaders. Nearly 80 percent of VA employees participating report that they're witnessing the positive change LDL encourages. Over 80 percent understand more clearly how the MyVA transformation relates to them. And nearly 80 percent of LDL participants report feeling valued for their work. So leaders and employees alike are learning the lessons of the best thinkers in the fields of leadership, change management, and action learning. And they're leveraging these lessons to serve Veterans better.

Our Leaders Developing Leaders program has been a powerful catalyst for change at VA. [Our I-LEAD model](#) is the engine that will sustain the change. I-LEAD is establishing a common leadership language and philosophy and a consistent set of behavioral expectations for VA leaders everywhere.

Centered on principles of Servant Leadership, grounded in our I-CARE Values, built on transformation and authentic leadership practices, and aligned with the Office of Personnel Management's Executive Core Qualifications for Federal Employees, the I-LEAD model is about [Innovation](#)—that is, leaders actively seeking new ideas and courageously applying new approaches to better serve Veterans. It's about leaders growing a culture of genuine continuous [Learning](#) and development in their organizations and [Engaging](#), participating, and collaborating across traditional boundaries. Leaders [Anticipate](#) requirements and proactively prepare their people and organizations for the future and [Deliver](#) superior service and care to Veterans, all while inspiring others to do the same.



I-LEAD is VA's *very first* enterprise-wide leadership model. Secretary McDonald formally introduced I-LEAD to VA senior leaders in mid-September. Leaders now have clear expectations, and they've learned skills that help them operate consistently in the way Veterans see VA: not as VHA, or VBA, or NCA, but as a single enterprise, committed to providing superior service and care to Veterans and their families.

The enterprise nature of both LDL and I-LEAD are challenging VA's historically silo-mentality and hierarchical and bureaucratic tendencies.

Since [March of 2015](#), our [MyVA Advisory Committee \(MVAC\)](#) has been hard at work advising us on transformation efforts at every turn. MVAC members bring extensive experience in the art of customer service and the science of organizational change. These are innovative, resourceful, respected leaders advising us on transformation. They're business leaders, leaders in medicine, leaders in government, and leaders in Veteran advocacy.

Committee members include Veterans like Major General Joe Robles. After 30 years in the Army, Joe was President and CEO for USAA. Dr. Richard Carmona is a Special Forces Vietnam Veteran and was the 17th Surgeon General of the United States. Navy Veteran Dr. Connie Mariano was the first military woman to serve as White House Physician to the President, the first woman Director of the White House Medical Unit, and the first Filipino American in U.S. history to become a Navy Rear Admiral.

Our MyVA Advisory Committee members know business. They know customer service. They know Veterans. And they'll keep advising us on the right decisions for Veterans and MyVA transformation.

Private-sector experts have been teaching employees cutting-edge business skills like [Lean Strategies](#), [Human-Centered Design](#), and other performance

improvement capabilities. We've been learning how our Nation's most successful enterprises train employees to achieve world-class customer service. We've been working with institutions like Johnson & Johnson, Procter & Gamble, USAA, Starbucks, NASA, Kaiser Permanente, The Cleveland Clinic, Hospital Corporation of America, Virginia Mason, Marriott and Ritz-Carlton, among others.

We're continuing to incorporate their ideas into new training programs and [intellectually equipping employees](#) to dramatically improve care and customer service delivery to Veterans. They've been helping our people see their roles in new ways. They've been helping our people see Veterans in new ways. And they've been helping us grow a principles-based culture of continuous performance improvement, from the bottom up.

These and many other strategies are making differences to our employees. The Office of Personnel Management's (OPM) just released its [Federal Employee Viewpoint Survey \(FEVS\)](#). OPM reports that VA's Employee Engagement Index (EEI) has increased for the second straight year, with improved scores on more than 90 percent of the questions.

A higher percentage like their work and believe it's important. A higher percentage are looking for ways to do better and finding their work personally fulfilling. A higher percentage of employees believe their performance appraisals are fair. And a higher percentage of employees are reporting that they believe they'll be held accountable for their performance.

We still have a lot more work to do for our great employees. But our efforts are paying off. We're heading in a good direction.

VA IS MAKING THE DIFFERENCE.

Improving the Veteran experience is fundamental to our mission, and to our transformation. VA exists to

serve and care for Veterans and their families and beneficiaries. How Veterans experience the health care and benefits we provide them is integral to our work—individually and as a collective group. That’s why we’ve been busy changing how we do business to improve Veterans’ access to quality health care and benefits.

We’ve changed our perspective. Now we design and evaluate all of our plans and programs through the eyes of the Veterans they’re meant to serve. It’s the Veteran-centric approach.

Our new team at the [Veterans Experience \(VE\) Office](#) has been moving quickly, establishing a baseline understanding of the Veteran experience at VA. They’ve been generating insights, connections, and new ways to understand Veterans and their needs. They’re bringing new capabilities in experience measurement and service design, and that’s helping us more quickly deliver exceptional experiences to Veterans. Using the elements of effectiveness, ease, and emotion as the basis of our measurement efforts, we’ve standardized enterprise-wide **Veteran Experience metrics**. These metrics are bringing precision to processes shaping Veterans’ experiences.

Constantly looking for and researching the best customer experience practices—inside *and* outside the Government—the VE team is in a state of continuous performance improvement. Then they’re applying that knowledge to refine and design better measures and more effective programs to improve Veterans’ experience with VA.

For instance, Human Centered Design techniques were behind products like the [Welcome Kit for Veterans](#) that explains benefits to Veterans in plain language. Human Centered Design is behind [Veteran Journey Map](#). The Veteran Journey Map illustrates distinct stages of a Veteran’s life. And it helps us understand more completely how well VA products and services are supporting each stage of their journey.

We’ve piloted our [Own the Moment Training](#) at six sites. Own the Moment is helping front-line employees take advantage of what we are learning. The principles *Connect and Care*, *Understand and Respond to Needs*, and *Guide the Journey* are equipping employees to create great Veteran experiences in their day-to-day work and interaction with Veterans.

We’re continuing to improve our supply chain practices and procedures. We’re leveraging the buying power of our immense scope and scale to achieve cost avoidances. We’re improving our management information systems so we can make better, more informed decisions. We are reducing variability in our system by standardizing supply chain position descriptions and organizations while we develop new courses to train our supply chain professionals. And we’re improving acquisition workforce competencies and executing our acquisition mission in an integrated manner that establishes clear lines of authority and holds people accountable for mission outcomes. Key tenets of VA’s approach to acquisition service delivery include centralizing policy and workforce development functions while decentralizing execution, a standardized acquisition system that’s designed to quickly adapt to changes.

As part of our support services excellence strategy and based on lessons learned from our best-in-class pharmacy program, we’re [transforming our Supply Chain operations](#) for medical and surgical equipment. We’ve established a medical-surgical formulary, and we’re using clinician-driven sourcing teams to ensure we get the right items while leveraging our size and scale in the market in a way that is good for taxpayers. By updating our processes and technology and providing new tools for users, to date we have realized \$101 million in cost avoidance. We expect to get to \$150 million by the end of the year. Likewise, we’ve accomplished a great deal very quickly under the leadership of our Assistant Sec-



retary for Information and Technology and Chief Information Officer. In fact, [FedScoop](#) recently recognized VA's CIO as a "Golden Gov Executive of the Year" among the top 50 leaders in government technology. Golden Gov Executives are the best leaders recognized for having made lasting contributions to government IT.

Our [Office of Information and Technology](#) (OI&T) has been aggressively transforming over the last year, streamlining their core processes and platforms, eliminating material weaknesses, and building new capabilities that drive improved outcomes. Among 24 federal agencies, VA's OI&T ranked fifth in the Office of Management and Budget Benchmarks for Highest IT Customer Satisfaction in 2016. That's up from 19th just a year ago.

Our Veteran-focused Integration Process (VIP) is streamlining the delivery of IT projects and programs, while yielding close to an 85 percent overhead cost avoidance. And by strictly enforcing two-factor authentication, an industry best-practice, and balancing business with security, we're addressing our cybersecurity challenges and making the data we use safe and secure.

Our new Enterprise Program Management Office (EPMO) is aligning projects with strategy. Our new OI&T Account Management Office is focusing on the needs of specific internal customer segments, aligning priorities, and enhancing partnerships across VA's administrations. To make the most of IT spending, OI&T now focuses on buying existing cutting-edge solutions before building expensive, customized solutions.



Our Data Management Organization is focusing on collection, protection, and analysis of VA's wealth of data to predict patient needs, deliver specific outcomes, and share information across VA to improve the Veteran experience. OI&T's measuring what matters, linking inputs to outcomes, and partnering with oversight bodies.

Principles of productive partnerships are important to us, and they're important to Veteran outcomes. That's why we're taking fullest advantage of the incredible potential of partnerships across industries to help us serve Veterans in new and better ways, partnering with external organizations at an unprecedented rate.

We're partnering with respected companies like Google, Walgreens, Bristol-Myers Squibb, and others. We're partnering with organizations like the YMCA, the Elks, the PenFed Foundation, LinkedIn, Coursera, Google, Walgreens, academic institutions, other Federal agencies, and many more, extending our outreach to Veterans. In just the last 18 months,

we've facilitated dozens more collaborations, bringing in more than \$300 million in investments and in-kind services to support our Nation's Veterans. And this is just the beginning.

Partnership is what our big data [Million Veteran Program](#) (MVP) is about. MVP's part of President Obama's [Precision Medicine Initiative](#) that's hailing "a new era of medicine through research, technology, and policies that empower patients, researchers, and providers to work together toward development of individualized care."

MVP is VA researchers bringing the immense advantages of precision medicine to Veterans. It's an innovative research partnership between Veteran-volunteers and VA. Together, we're learning more about how genes affect health. We're working to apply the medical potential of genetic mapping to develop safer, more effective treatments based on new knowledge about the elemental role of genes in health and disease.

Mapping gene-health connections, MVP stands to significantly advance disease screening, diagnosis, prognosis, and point the way toward more effective, personalized therapies. MVP is already the largest genetics database in the United States. More than 500,000 Veterans have enrolled, and we expect enrollment to increase to one million Veterans over the next five to seven years. MVP will be invaluable for future research on diseases like diabetes, PTSD, Alzheimer's, Parkinson's, and cancer.

Our partnership with IBM is increasing access to genomics treatment for 10,000 Veteran cancer patients over two years. Earlier this year we announced a collaboration with the Prostate Cancer Foundation (PCF). Through this partnership, PCF will invest \$50 million in precision oncology research over the next five years with an emphasis on supporting prostate cancer research and care for Veterans. Earlier this month, we announced our [collaboration with](#)

[Stanford Medicine](#), establishing the nation's first Hadron Center in Palo Alto, California. Our combined research on particle beam radio-therapy will benefit Veteran cancer patients, and non-Veterans, too. Both these initiatives are part of VA researchers' work as members of [Vice President Joe Biden's Cancer Moonshot Task Force](#). As Vice President Biden told 350 researchers, patients, families, and patient advocates in his [closing remarks](#) at the Cancer Moonshot Summit at Howard University at the end of last June, "The whole world is counting on us."

So research and innovation are fundamental to making Veterans' care and benefits better. Last fall, we launched our [VA Innovators Network](#). The Innovators Network is a way for VA employees to test new ideas and team with partners to improve the way we serve Veterans. The [VA Center for Innovation](#) initiated the program by embedding a living laboratory in several medical centers to engage employees in supporting the MyVA transformation by creating the best possible customer experience to serve Veterans and their families. We've placed an [Innovation Specialist](#) at eight VA Medical Centers across the United States. They're moving VA forward, turning innovative ideas into action at facilities across the country.

Our new [Innovators Network Accelerator](#) is providing a pathway for employees to co-design with Veterans, working together to develop and deploy innovations that create the best possible experience for Veterans and their families. The [Diffusion of Excellence initiative](#) is putting these VA best practices on a platform so others can reproduce them locally. In addition to the best-practices advanced by the Innovator's Network, there are a host of best practices that are just simple, smart practices that front-line employees adopt to improve the quality of health care we deliver.

No matter the source—the Innovator's Network or

just plain common sense—the Diffusion initiative leverages a standardized process, effective governance, and enabling technology to identify, spread, and sustain best practices across the entire VA health system. With this diffusion initiative, the VA is moving closer to giving Veterans the consistent, high-quality experience they appreciate, no matter where they get their health care. These innovations have been replicated in VA facilities across the country nearly 400 times.

That's what it means to diffuse excellence.

It's no exaggeration to say that VA research and innovation is on the cutting edge of health care—for Veterans, and all Americans. We're comfortable there. We've been there a while.

We're making great progress helping get your local communities involved. In fact, in just over a year, VA field leaders have helped their own local communities build a national network of 93 [Community Veterans Engagement Boards](#). These boards are

“VA . . . has been gathering genomic data on a large number of our men and women who have served this country in order to serve them better within the VA system. . . . we use big data to accelerate the research process much more rapidly.”

— PRESIDENT BARACK OBAMA
PRECISION MEDICINE PANEL DISCUSSION
February 25, 2016



leveraging community assets, not just VA assets, to meet local Veteran needs. We'll have 100 or more CVEBS across the country by year's end.

Communities helping Veterans. VA helping communities.

From the very beginning [Secretary McDonald has reminded everyone](#) that VA “produces results and life changing improvements . . . for all Americans.” Indeed, VA provided support to the people of West Virginia in June and Louisiana in August after catastrophic flooding. It's why VA was in Orlando providing 800 counseling sessions in June after the nightclub shootings, and why VA was providing help and support in Dallas in July after the violence there.

All told, there's no question that Veterans and employees are experiencing the difference, and VA is acting differently. All of this progress—and more—is why we're confident VA can look back at 2016 as the year we turned the corner for Veterans.

MyVA 2017 AND BEYOND

We have a direct azimuth to the high-performing organization Veterans have earned and deserve, the Veteran-centric customer-service agency that VA employees and leaders are building today. It's an

integrated enterprise providing a seamless, unified Veteran experience across the entire country putting **Veterans in control** of how, when, and where they wish to be served.

The **five strategies** described in our **MyVA Transformation** are timeless, business-savvy principles that will achieve our vision over the long term. So we're describing progress for VA 2017 to 2020 by way of **Breakthrough and Management Initiatives** that will continue to advance the objectives of those five strategies—Improving the Veterans Experience, Improving the Employee Experience, Improving Internal Support Services, Establishing a culture of Continuous Performance Improvement, and Enhancing Strategic Partnerships.

Here's how we see MyVA in 2020, and how we're getting there.



IMPROVING THE VETERAN EXPERIENCE

Veterans will receive quality care and services when, where, and how they need them. Access to the care and services are predictable, consistent, and easy to navigate. Veterans and their families will experience consistent, high-quality customer service through 21st century technology, and every contact they have with VA is timely, efficient, and user friendly, whether in-person, by phone, online, or by mail. And women Veterans and other Veterans from historically vulnerable and underserved communities will consistently receive appropriate access and services that meet their unique needs.

GETTING THERE

We'll get there by sustaining VA as the most accessible health care system in the U.S. That means providing same day services with high reliability and safety and

continuously improving community care. It means providing at-risk Veterans with suicide prevention resources and support—even before they ask for it.

We'll be continuously improving consistent and positive customer experiences. Vets.Gov and Contact Centers will more consistently meet Veterans', families', and caregivers' information needs. Women Veterans will receive more equitable, high-quality care and benefits from VA while being treated with dignity and respect. End-to-end claims and appeals processes will be optimized, and the number of homeless Veterans across the country will progressively decline. VA's performance for all these initiatives will be quantitatively evaluated and tracked according to Veterans' experiences.



IMPROVING THE EMPLOYEE EXPERIENCE

The VA workforce will be comprised of Veteran-focused individuals with specialized expertise and complementary skills who collaborate, innovate, and produce consistently superior results. VA leaders are fostering a culture of trust, inclusion, and accountability—they engage, inspire, and empower their employees to deliver a seamless, integrated, and responsive Veteran Experience. And VA employees experience clear, transparent, two-way communication.

GETTING THERE

All employees will understand VA's transformation story and how they contribute to continuous success and improvement, helping drive a superior employee experience. High quality enterprise-wide human resource capabilities will include recruiting and onboarding as initial priorities. Employees will be empowered with the right tools to provide Veterans uninterrupted health care, benefits, and services.

And our I-LEAD and Leaders Developing Leaders principles will be aspects of the Department's culture.



ACHIEVING SUPPORT SERVICES EXCELLENCE

VA's integrated business operations are delivering high-quality, effective, and efficient enabling and support services with an enhanced focus on customer service. And VA's leveraging its scope and scale and driving cost reductions and improving efficiencies, making VA the good steward of taxpayer dollars Americans deserve. Right item, right time, right price will describe our supply chain, and both taxpayers and employees will benefit from a transparent, accurate, timely, reliable financial information system.

GETTING THERE

To get there, we're going to continue to take advantage of outcomes from our IT transformation that will offer an unparalleled service and management experience for customers. Mission support services will provide an improved, innovative, consistent, cost-effective and focused customer experience. It will provide better services for Human Resources, Information Technology, finance, contracting, and leasing at lower costs. That way, we can better focus fiscal resources on Veteran outcomes. Our Electronic Health Record will serve to improve clinical-user interface, enabling Veterans to experience high-quality, coordinated health care, and Enterprise Data Management will provide authoritative, proactive, productive use of Veteran data that improves timely delivery of service and protects Veteran data and health information from the risks of identity theft.



ESTABLISHING A CULTURE OF CONTINUOUS PERFORMANCE IMPROVEMENT

By 2020, our strategic operating model will implement a responsive, enterprise-wide operating rhythm. Veterans will be supported by the most agile, effective, and efficient Department achievable. VA's culture is about continuous performance improvement through enterprise-wide integration of people, process, and technology. Teams are working across staff offices and administrations to maximize impact, creating a better work environment and increasing the quality of service for Veterans. Best practices throughout the organization are diffused and adopted, and innovation becomes a source of new best practices. The streamlined organization and processes are promoting agility, reducing unnecessary bureaucracy, and organizational silos are a thing of the past.

GETTING THERE

Diffusion of Excellence practices will create consistent experiences across VA, and employees properly trained in Lean 6 Sigma, Human Centered Design, Program Management will look for opportunities to innovate on behalf of the Veterans they serve. These employees will define future thinking in emerging opportunity areas. They'll develop organizational muscle through the Innovators Network, challenges, and competitions and deliver breakthrough capabilities to the operating units on the front-lines of serving Veterans.



ENHANCING STRATEGIC PARTNERSHIPS

VA is continuing to deepen and leverage relationships with strategic partners and stakeholders that improve the Veteran Experience. Governmental leaders—federal, state, local, tribal—and Veterans advocacy groups actively participate in developing solutions that increase the quality of services Veterans and their families receive. And people know, because we're effectively promoting our services and our progress to the Veterans and the wider public.

GETTING THERE

A more and more collaborative network of Veterans, advocates, resources, and other stakeholders convening through Community Engagement Boards (CVEBs) will continue to improve outcomes, ease access, develop local solutions, and improve experience experiences for Veterans, service members, their families, and survivors. External communicators will be telling the story of VA's transformation to help drive a superior Veteran experience. A unified approach to outreach and strategic engagement will continue building mechanisms that deepen and sustain relationships with key stakeholders. And private sector and non-profit partnerships with organizations will continue to help serve Veterans.

OUR MOST IMPORTANT PARTNER

Congress is our most important partner. Congress legislates benefits we provide Veterans. And it's Congress that has to fund those benefits. Congress holds the keys to many of the priorities Veterans and Veterans Service Organizations have identified as most important to them, that are most important to our transformation, and that are most important to providing Veterans and their families the benefits and services they have earned, in the way they deserve.

On September 29th, Congress sent VA's budget to the President. The President signed that budget into law. It was the first time since 2009 that a federal agency received a full year's funding. That gesture demonstrated Congress's honest concern with taking care of Veterans and their families.

In that legislation, Congress enacted several prominent VA priorities, including VA's full FY 2017 appropriation, necessary extensions of authorities, some but not all major medical construction authorizations, and enabling legislation for significant homelessness efforts on VA's West LA hospital campus.

But that was just an important first step. Many critical legislative priorities remain.

The Veterans Access, Choice, and Accountability Act of 2014 (VACAA) mandated a commission conduct an independent assessment and report on the state of VA medical care. The Commission on Care issued its Final Report on June 20, 2016. The Commission brought to light several areas of concern, many consistent with issues VA had previously identified as MyVA Transformation priorities that would enhance the quality and efficiency of VA care.

The Commission's report makes clear that legislation is necessary to implement a number of these initiatives that will better serve Veterans. Specifically, the Commission identified the need for congressional action on consolidation of community care, including provider agreements, budget flexibility, and hiring assistance, as well as changes to provider claims payments and bed change reporting requirements.

Long before the Commission on Care report, VA was working with Congress to resolve these issues. Now's the time for Congress to act.

My worst nightmare is a Veteran going without care because I have money in the wrong pocket. I earlier compared the inflexibility we face to having one checking account for gasoline and another for groceries. The inflexibility we're talking about today is even more puzzling: I can't spend food money for food.

— SECRETARY BOB MCDONALD
TO THE HOUSE COMMITTEE
ON VETERANS' AFFAIRS,
July 22, 2015

Appeals Modernization

In close collaboration with Veterans Service Organizations, VA developed the appeals modernization proposal that is the foundation of the legislation before both the House of Representatives and Senate.

VA's current inventory of appeals is over 464,000. Last year, the Board of Veterans Appeals was adjudicating an appeal that originated 25 years ago. It had been decided more than 27 times. Under current law with no significant change in resources, the number of Veterans awaiting a decision will soar 179 percent by 2027—from 500,000 to nearly 1.3 million. While VA continues to improve the timeliness of appeals decisions under current law, the system cannot be reformed without additional Congressional action.

We've urged ambitious action by Congress, and we need them to pass the law. The alternative is more resources devoted to the broken system, funding more employees to administer it, and Veterans waiting 10 years for final decisions on their appeal.

The legislation, however, costs nothing, and it will be more efficient and less costly over time. In five years, Veterans could have appeals resolved within one year of filing.

Budget Flexibility

VA has urged Congress to enact measures to allow more flexibility among its appropriations accounts. Barriers created by artificial budget distinctions impede the management of important programs and projects.

Without measured flexibility to respond to dynamic conditions across benefit programs, VA will continue to encounter arbitrary barriers and delays in its programs and operations.

Consolidation of Community Care

VA needs Congress to help consolidate VA's care in the community programs. Supplementing VA-based care with care in the community will play an integral role in the future of VA medicine. It allows VA to provide Veterans with the full spectrum of health care services and more choices without sacrificing the foundational VA health services on which so many Veterans prefer, and rely.

To increase timely access to health care, The Veterans Access, Choice, and Accountability Act of 2014 (VA-CAA) mandated that VA implement a new community care program, The Veterans Choice Program (Choice). From October 2015 to August 2016, VHA and Choice contractors created over 3 million authorizations for Veterans to receive health care in the private sector, a 16 percent increase in authorizations compared to the same period the previous year.

In addition to Choice, VA has historically designed and implemented non-VA care programs for specific Veterans populations rather than augment or enhance existing programs. Many of these methods have overlapping or inconsistent eligibility criteria, employ multiple processes for the same activity (e.g., claims management), and implement varying reimbursement models. These fragmented methods create an inconsistent community care experience for Veterans that's not well-integrated with the larger VA health care system. To resolve this issue, VA needs Congress to consolidate its care in the community programs to ensure Veterans continue receiving the full complement of care in the community that they deserve.

Provider Agreements

Since 2015, VA has urged Congress to retool the Department's authorities for purchased Care in the Community. These authorities would ensure that Veterans receive the necessary care they earned through the fullest complement of non-VA providers. On May 1, 2015, VA sent the VA Purchased Health Care Streamlining and Modernization Act to Congress, presenting a way forward on establishing provider agreements.

The bill clarified key legal issues regarding VA's purchased care authorities outside of the Veterans Choice Program. Thus far, inaction on this issue has resulted in complications with extended-care providers and other non-Veterans Choice care. Some small long-term care facilities have already withdrawn their support of Veterans due to the overwhelming administrative requirements of the Federal Acquisition Regulations (FAR).

In order to offer important care to Veterans, VA needs the authority to enter provider agreements that secure non-VA health care services.



Competitive Recruiting & Retention

VA proposed an end to the arbitrary 80-hour per Federal work period requirement that is not appropriate, efficient, or relevant for most medical professionals, and is behind the current industry standard in the private sector. Enacting legislation on this issue will increase efficiency of hospital operations and it will improve VA's ability to compete effectively with the private sector in recruiting and retaining critical medical professionals.

Special Pay Authority for VA Health Care Senior Managers

VA continues to urge Congress to provide special pay authority for VA Medical Center and Veterans Integrated Service Network Directors. As the largest integrated health care network in the country dedicated to caring for Veterans and their families, VA

should employ the most talented hospital system management professionals.

Approval of special pay authority for these positions will allow VA to attract the professionals needed to lead VA's hospitals and health care systems.

Construction and Leasing

VA has urged action on Congressional authorizations for numerous construction and leasing projects across the country that already have appropriations enacted to fund the projects. These projects will provide a much needed increase in Veterans' access to care closer to home.

While Congress did enact some major medical construction projects, two VA proposed major construction projects await action, as well as 24 major medical leases.

President Reagan gave Veterans “a seat at the table of our national affairs” nearly three decades ago. MyVA is about keeping Veterans at the table, in control of how, when, and where they wish to be served.

— SECRETARY BOB MCDONALD
THE BROOKINGS INSTITUTION
June 20, 2016

Partnership for Legal Services

VA currently does not have authority to provide grants or enter into cooperative agreements that would fund partnerships with those who can provide legal services for homeless Veterans. This assistance will make a significant difference in combating homelessness by leveraging the legal community.

VA as Choice Primary Payer

The Choice Act requirement that VA be the “secondary payer” created new charges for Veterans with other insurance that do not occur when using non-VA care. This has created a frustrating billing process for over one million Veterans that have used the Choice Program.

Recording Obligations at Payment

Current accounting rules require community care expenses to be recorded at the time the care is first authorized. At that time, the ultimate expenditures created by that obligation are very hard to predict, depending on how it is used by the Veteran. Those

authorizations can precede the actual expenditures for care by many months. Even with careful management, differences in the amounts recorded at obligation from the actual expenditures can result in “de-obligation” of funds, with the result of VA not being able to use the full amount Congress provides in appropriated funds.

Telehealth

Currently, there is pending legislation that will help ensure that VA can guarantee the fullest use of telehealth capabilities in order to provide easier access to VA health care, especially for consultations where the medical professional or the patient are not located in a medical facility.

Legislative Changes to Facilitate Sharing of Patient Information

A special authority, applicable only to VA, restricts the sharing of patient information with other public and private health care providers if patient records concern HIV, sickle cell anemia, or drug or alcohol abuse. This authority is obsolete and significantly impedes VA care coordination for some patients.

VA supports changing this authority while still applying all provisions of the Health Information Portability and Accountability Act (HIPAA).

NOW’S THE TIME . . .

We’ve elected our new President. We’ve elected our new House of Representatives. We’ve chosen 34 Senators. On January 3, 2017, that 115th Congress will convene on Capitol Hill.

There’s very limited time for the 114th Congress to finally make an indelible mark on the lives of Veterans today, and Veterans for decades to come.

Now that elections are over, passing the legislation Veterans need is no longer a matter of politics.

Now it’s singularly about Veterans and doing what everyone agrees is the right thing for Veterans.

Conclusion

Transformation is a marathon. It's not a sprint. And we're striding it out. We've been successful accelerating VA transformation with our 12 Breakthrough Priorities, and we expect the same sorts of successes with our Breakthrough and Management Initiatives for the year ahead, and beyond.

So the MyVA Transformation is well under way. Veterans are feeling the difference. Employees are feeling the difference. That's because VA is acting differently, too. We just have to maintain our change momentum.

For that, we and the Veterans we serve are counting on the President's devotion to Veterans. We're counting on the cooperation and support of Congress. And we're counting on the admirable strong support of local communities, stakeholders, and the nation's Veterans Service Organizations.

In all of that, there's no doubt President Lincoln would be proud.

Explore MyVA and watch the transformation at . . .

MyVA <http://www.va.gov/opa/myva>

Vets.gov <https://www.vets.gov/>

Vantage Point www.blogs.va.gov

Facebook
<https://www.facebook.com/VeteransAffairs>

Twitter [@DeptVetAffairs](https://twitter.com/DeptVetAffairs)

Flickr
<https://www.flickr.com/photos/veteransaffairs/>

MyVA Email myvaops@va.gov

Apps for Veterans www.Mobile.VA.Gov/appstore

MyVA Communities
<http://www.va.gov/nace/myVA/index.asp>

MyVA for Employees <http://www.va.gov/myva/>

Speeches by the Office of the Secretary
<http://www.va.gov/opa/speeches/>

Fiscal Year 2014-2020 Strategic Plan
<http://www.va.gov/performance/>
and <https://www.performance.gov/>

MyVA Integrated Plan Overview 1.0, July 2015
http://www.va.gov/opa/myva/docs/myva_integrated_plan_overview.pdf

MyVA Testimony to Senate Veterans Affairs Committee, January 21, 2016
<http://www.veterans.senate.gov/imo/media/doc/VA%20Sec%20Testimony%2001.21.2016.pdf>

MyVA Transformation Update 2.0, May 2016 http://www.va.gov/opa/publications/docs/myva_transformation_update_8x10.pdf

Office of Information & Technology www.oit.va.gov



Administrations change.
Our collective commitment
*to **VETERANS** shouldn't.*





Administrations change.
Our collective commitment
*to **VETERANS** shouldn't.*

