

Strictly Speaking

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Secretary of Veterans Affairs
State of VA
Washington, DC
(Broadcast to VA Facilities by the VA Knowledge Network)
March 15, 2002

Hello, everyone. I have now been back with VA as your Secretary for just over a year and I believe that, working together, we have made a difference for the veterans we serve.

From Alaska to Florida; from California to the Virgin Islands; I have spent a good deal of my time visiting veterans and VA employees throughout America. I hear your compliments and your complaints, your opinions on what's right and what's wrong, your thoughts on what's good and what's bad in our Department.

Let me give you an example of what I've learned: we have more than 700,000 pending veterans' benefits claims. It takes, on an average, more than 225 days to decide those claims. Our veterans and their families are entitled to better service.

We are meeting that challenge by implementing the practical hands-on recommendations of the Claims Processing Task Force.

A Tiger Team, headquartered in Cleveland, has made more than 18,000 decisions for veterans over the age of 70 who have been waiting more than a year for us to act. 18,000 elderly veterans no longer need to wait to find out whether they are eligible for VA benefits.

And in both January and February of 2002 workers in our regional offices decided record numbers of claims—while maintaining accuracy. In both months, we more than doubled the number of claims we decided in the same month in 2001.

Throughout VA, we see examples of how we are meeting President Lincoln's challenge to care for those who have borne the battle, and their families, and the challenges we must overcome for future success.

Even as we face our challenges, we should not lose site of the many benefits Veterans Benefits Administration employees provide to veterans.

Today and every working day, VA will guarantee more than 700 home loans for veterans entering the ranks of America's homeowners; and will administer the fourth largest life insurance program in the United States, with 2.2 million policies in force having a face value of \$22 billion.

This month and every month, more than 2.7 million disabled veterans will receive a disability compensation check from VA.

And this year, almost 400,000 veterans will attend school on the GI bill, and nearly 64,000 disabled veterans will receive vocational rehabilitation training to prepare them for

successful civilian lives.

VBA's dedicated employees make a huge difference in the lives of America's 25 million living veterans, efficiently and effectively providing them with the benefits they earned through their service. No one should forget how many important tasks you do well, unheralded and unsung. I have not forgotten, and I will not let Congress or the President forget, either.

Nowhere do VA workers touch lives more directly than we do for the veterans who turn to us for their healthcare.

Today, 6.2 million American veterans look to us as their primary health care provider. Irrefutable evidence that veterans are learning what we already know—VA's health care is second to none.

In 2001, Harvard University presented our patient safety program the prestigious Innovations in American Government Award;

Our Grand Junction, Colorado Medical Center won the President's Award for Quality—the highest award given to federal employees and agencies;

And customer satisfaction surveys confirm that the overwhelming majority of our patients are pleased with our care.

Our challenge will be to avoid becoming victims of our own success. Since 1995, the number of veterans enrolled for VA care has increased by three million, and the number is expected to increase dramatically.

We have made enormous strides in providing more cost-effective care while protecting our hard-earned quality. But the increasing numbers of veterans turning to us for help, combined with rising costs of healthcare everywhere, present us with ever more difficult challenges.

Simply put, we provide an expanding population of veterans with an increasing array of services on a fixed budget.

We are responding by improving our procurement practices by reshaping our legacy infrastructure to meet the needs of the 21st century;

By increasing cooperation with the military health care system;

By improving our business practices;

And by continuing to look for ways to make our medical practices more cost-effective without sacrificing quality.

Even with all that, you don't need me to tell you that our medical centers and outpatient clinics are stretched to the breaking point—and that veterans who come to us for care must often wait far too long for an initial appointment.

Our fiscal year 2003 budget request is the largest in our history. The President requested \$58 billion for veterans' benefits and services—\$6.1 billion more than 2002. At a time when increases in discretionary spending for federal agencies average about 2%, the President asked for a 7% increase for VA's discretionary spending, most of which is for health care. I am proud of this budget, and grateful to the President for his support.

But we can't count on appropriations alone. We must help our own cause by providing more cost effective care and by improving our business practices, especially collections from veterans' insurance companies. Everyone at every state in the process must help, from physicians' coding through accurate billing.

One thing we will not do—not while I am Secretary—is sacrifice the quality of our care. It took a long time for you to earn our reputation for quality care and we must all protect it.

Today and every day, approximately 1,800 veterans will go to their final reward. But we are meeting the challenge of honoring their service and their lives. In a recent Customer Satisfaction Survey conducted by the University of Michigan Business School, our National Cemetery Administration received a score of 93 out of a possible 100—25 points above the average for both government agencies and private sector businesses.

All across America, our National Cemeteries are working at peak capacity, yet NCA employees find the time to conduct every burial with the dignity and honor befitting the contributions veterans made to our society. NCA, too, is making a difference.

Tonight, nearly a quarter of a million American veterans may be homeless, and we are responding to that challenge with the largest integrated network of homeless assistance programs in the country. 57 percent of all homeless veterans have used VA's health care services at one time. Our efforts make a real difference in the lives of thousands of homeless veterans—and we will not rest until every veteran has a place of his or her own to live.

VA has a history of developing stove-piped, non-connected, and incompatible Information Technology systems. Last year, a core group of VA leaders gave up their weekends to design a department-wide Enterprise Architecture. Under the leadership of Dr. John Gauss, we are implementing their vision of making information about every veteran available anywhere, anytime, to any authorized user at every facility—of VA's systems freely exchanging information with each other without regard to institutional barriers.

Our limited resources challenge us to ensure we take full advantage of our size and purchasing power and get the best bang for the buck in everything we buy. A procurement task force has identified ways to enhance our ability to leverage our purchasing power; obtain comprehensive information about what we buy; and improve our organizational effectiveness. We are well on our way to achieving the savings and realizing the increased effectiveness we need to provide veterans with the service they earned.

VA is nothing but hollow shells of bricks and steel without the people who embody our commitment to veterans.

VA is a very diverse organization. 57% of VA employees are women; 24% of you are African American; and 12% are of other minority groups. I am absolutely committed to the principles and policies of equal opportunity, and I expect every VA manager to share that commitment.

I believe that, in general, VA workers are treated with respect and dignity. But I also know that there are exceptions. Any discrimination within our Department is unacceptable behavior.

Thirty-seven percent of our VA workforce will be eligible to retire by September 2005—and another 13% will be eligible for an early out. We are responding to that challenge with a Workforce and Succession plan to insure that we have skilled workers and capable leadership throughout VA in the years to come. The turnover we expect as our older employees retire should create opportunities for all of our employees to compete for promotion into the ranks of our leaders for tomorrow.

New leaders will bring new ideas to our mission. My leadership team here in Central Office is nearly all in place. On March 14, the Senate held confirmation hearings for our nominees for Under Secretary for Health and for Under Secretary for Benefits: Dr. Bob Roswell and Admiral Dan Cooper. They are leaders for the 21st century, and I believe they will soon be confirmed.

Today, VA is strong in nearly every area. The flame of service burns brightly from Manila to Maine. But we face great challenges in the years ahead.

We have established a roadmap to improve claims timeliness, but we have not yet actually reduced our backlog.

While we are increasingly recognized for the quality of our care, we must care for millions of new enrollees within our tight budget constraints.

We also face the long overdue need to realign our facilities to match veterans' needs and locations and the practice of 21st century medicine.

As more of our older veterans pass on, we must continue to serve them and their families at our National Cemeteries.

With our nation at war, we face the challenge of supporting the Department of Defense—and of being prepared for any disaster our nation may face in the future. No one can know whether, or how, we will be called upon—but I know VA will make America proud.

Just over a year ago, when the President first honored me with leadership of our Department, he talked to me about the responsibilities of public service. He reminded me that every dollar we spend is a dollar taken from the table and life of an American taxpayer. We are stewards of those dollars.

Our compassion for the veterans we serve is not measured in the number of dollars we

spend. It is measured in the outcomes we achieve. Taxpayers' lives are changed for the poorer when they must write checks to the IRS, and we have an obligation to ensure that our stewardship of those dollars produces a reciprocal change for the better in the lives of the veterans we serve.

Every one of us must be held accountable for our actions in the exercise of that stewardship.

Let me conclude with the words of one of my distinguished predecessors, General Omar Bradley. General Bradley once said: "We are dealing with veterans, not procedures. With their problems, not ours."

Those words of General Bradley's are the key to success for the Department of Veterans Affairs. Never forget that we are here to serve America's veterans. Some were heroes; some merely did what they were told. All of them served our country and contributed to the ongoing defense of our liberty. Each of them was willing to risk their life for our freedom and earned the highest level of our service.

Thank you for everything you have done on behalf of veterans in this past year—and for everything you will do in the years ahead.

Anthony J. Principi
Secretary of Veteran Affairs
Address before American College of Healthcare Executives
Chicago, Illinois
March 21, 2002

Thank you, Sandy for that kind introduction.

Good morning, and thank you all for that warm reception.

I'm pleased to be here this morning to share with you some of my thoughts on coordinated operations between VA and the services' healthcare systems. These endeavors must be directed toward weaving a seamless fabric of healthcare and benefits delivery for America's active-duty troops and our 25 million living veterans.

During the past 13 years of VA's life as a Cabinet office, the United States military has engaged in overseas operations almost continuously – placing demands on military health care at home and abroad that VA is uniquely pre-positioned to support.

During that same period of time, hundreds of thousands of American soldiers, sailors, airmen, Marines, and Coastguardsmen left their military duties to assume their lives as veterans. Wars begin and wars end, but there remains a perpetual obligation to care for our nation's warriors, especially those who were disabled in service to their nation.

Those men and women have every right to expect VA to pick up their healthcare needs invisibly – moving records from active-duty files to VA files, sharing critical medical information through coherent and timely transfers of health histories, and processing benefits claims as if DOD and VA were for all intents and purposes, one shared system.

Frankly, I don't think that is asking too much of our two departments.

And I'll tell you this, neither does President Bush.

The President is acutely aware of the need for a seamless service-to-grave continuum for Americans who have worn our Nation's uniform. The President has, on more than one occasion, said to Secretary Rumsfeld, and me "I want the two of you to get together on this and make it happen," and he is always asking me for status reports on our efforts.

Secretary Rumsfeld and I are committed to building a strong bond between our two Departments – a bond that will serve America's fighting men and women and our veterans in the most timely, professional, and compassionate way possible.

There is clearly a link – a tight weave of connectivity – that joins VA and DOD at the heart. Our missions are so often interwoven.

Whether DOD is fighting a desert war in Afghanistan, or VA is supporting rescue efforts in the wake of a devastating hurricane on the East Coast, DOD and VA health care resources,

and the systems that support them, have a common purpose: to bring to bear the most advanced medical capabilities owned and operated by the United States government to save lives and extend the quality of those lives.

I believe our future, perhaps 10 to 15 years from now, will depend in large part on how well we can work together.

When American troops are deployed worldwide in freedom's defense, VA must be ready to support DOD's mission at home with our nationwide network of health care facilities and the skills of 180,000 medical professionals.

When VA is committed to honoring the service of our citizen-soldiers, DOD must be prepared to respond to VA's requests for data, records, and other resources necessary for us to redeem our veterans' selfless sacrifices.

Together, VA and DOD shoulder a noble mission – the mission Abraham Lincoln spoke of when he promised America would "...care for him who shall have borne the battle...."

The Presidential Task Force to Improve Health Care Delivery for our Nation's Veterans is the expression of President Bush's commitment to honor President Lincoln's promise.

The Task Force is now supported by the VA/DOD Health Executive Council – joining VA's Veterans Health Administration leadership to DOD's Office of Health Affairs – and the VA/DOD Benefits Executive Council, which is a working forum between VA's Veterans Benefits Administration and DOD's Office of Force Management Policy.

I am very proud of the two men who have been nominated to lead VHA and VBA – Dr. Bob Roswell comes to VHA with a universe of knowledge and hands-on military and VA experience that will help me build on VHA's strengths and identify what we must do to raise all of VHA's resources on the rising tide of quality care.

I know Bob is excited to be taking the helm of America's health-care delivery leader, and ACHE will not find a better or more willing advocate for the cooperative work ahead.

Admiral Dan Cooper, through his outstanding work as the Chairman of my Benefits Claims Processing Task Force, and in his long and honored service to the nation as one of our premiere submariners, has already gained the respect of countless veterans who had pretty much given up hope that they would ever see the resolution of their long-delayed benefits claims.

Dan is a hands-on leader who is already off the starting blocks and well down the track toward improved VA-DOD partnerships.

Dan and Bob will be working closely with my Deputy, Dr. Leo Mackay, a former Navy fighter pilot and a corporate leader, to give Dr. Mackay their best assessments of the progress we're making and helping him prepare the strategies to move toward even more joint operational successes.

Dr. Mackay and DOD Under Secretary of Defense for Personnel and Readiness, Dr. David Chu, have begun a series of joint meetings of the Executive Councils to oversee the councils' strategic planning initiatives and efforts, to provide guidance and policy on collaborative initiatives, and to ensure that Department level administrative issues are not overlooked in individual Executive Council discussions.

Dr. Mackay and Dr. Chu met this past February in the first of their quarterly meetings, focusing on several key joint issues, including:

- Σ Standardized billing and reimbursement rates;
- Σ Joint procurement initiatives;
- Σ Computer-based medical records initiatives;
- Σ The Defense Enrollment Eligibility System (DEERS);
- Σ Coordination of capital investments; and
- Σ Planning for the receipt of the recommendations of the Presidential Task Force.

Much of what the Councils' are discussing and recommending is a compilation and consolidation of efforts that have been exercised without full-scale coordination at the National level, or which need focused planning and direction in order to achieve the maximum benefit for service personnel and veterans.

I have to give credit to VA and DOD health care professionals for the cooperative efforts already underway when the President prior to the Presidential Task Force's mandate.

ACHE leaders and members should be recognized for your initiative in sharing the fruits of your labor, and the benefits of your experiences, without a National mandate, and I will be the first in line to commend you for taking that initiative.

VA healthcare leadership and managers in both VHA and VBA have planned and implemented local and regional initiatives to improve VA's delivery of healthcare services and benefits at the grassroots level. I would be remiss if I did not pile on my praise for all you have done to meet the needs of America's veterans, and to work cooperatively with your DOD colleagues.

At the National, regional, and local levels, VA and DOD have been partners for several years across a reasonably broad spectrum of services and logistics.

VA and DOD have made progress at the national level in developing joint clinical practice guidelines.

VA's leadership in developing and promoting innovations in patient safety have earned us national recognition in the health care industry, and DOD has benefited from our work and has applied some of the products of our research and practices in that arena.

Our joint procurement protocols are saving taxpayer dollars in pharmaceutical purchases.

We are doing a better job of sharing regional and local facilities to support our patient workloads, but so much more can, and should, be done.

And quite frankly, it must be done if the beneficiaries of our two systems are to realize the full benefits of the assets, both human and material, that our two systems can bring to the table.

I am concerned that our movement toward coordination and cooperation is colored by DOD healthcare policymakers' outdated perceptions about VA healthcare facilities and our medical professionals.

Let there be no doubt. VA operates a superb healthcare system. We stand second to none in the quality of our physicians, researchers, supporting healthcare professionals, and medical facilities.

In recent years, VA has been praised and awarded for our quality of care, our patient safety programs, and our pharmacy management benefit program.

Over and over again, veteran surveys bolster our reputation as a compassionate, thorough, responsible, responsive, and effective health care organization.

I don't ask our colleagues in DOD to take my word for it; I invite you to visit our facilities and see for yourselves that your beneficiaries would be in good hands if they come to us for care.

In another area where there is great promise for care and cost benefits to the Armed Forces, veterans, and the taxpayers, we are continuously promoting cooperative planning for the coordinated use of capital assets.

Here in the Chicago area, VA and the Department of the Navy signed a Memorandum of Understanding that illustrates the kind of benefits we can realize when we work together.

The Navy wants to expand its training facilities at the Great Lakes Naval Training Center, and VA, in our CARES pilot program here in Chicago, has identified a 48-acre parcel of VA-owned land adjacent to the NTC that matches the Navy's needs.

The MOU, signed last month, not only provides land for the Navy, it also creates an energy sharing partnership between the Navy and VA, allowing the Navy to purchase electricity and steam from a VA power station at rates that will improve our mutual bottom lines.

These are the kind of operational efficiencies we can realize through practical, coordinated partnerships that we simply must encourage.

Here is another example, one that really goes to the heart of how VA and DOD can make significant cooperative strides toward our mutual objectives.

Again, here in Chicago, the Navy is considering building a new hospital at the Great

Lakes Naval Training Center. VA already operates a medical center within walking distance of the NTC.

VA and the Navy could share our existing hospital, saving the Navy construction costs, and maximizing use of VA's resources. This is the kind of sharing I'm talking about...this is how our two Departments can work together to benefit the Armed Forces, our veterans, and America's taxpayers.

I don't need to belabor the fact that this is an era of tight budgets. VA and DOD, two of the few federal departments to receive recommended increases in our budgets, must prove to the public that we are responsible stewards of their trust and resources.

The day-to-day stewardship rests in your hands, and I know you will exercise the utmost care and responsibility to carry out our joint mission.

There are many areas we will be working on together, and I'd like to address just a few of those this morning – the Executive Councils will be working hard on all areas of cooperation, perhaps none so challenging as health care procurement.

We will not be able to advance the quality of our respective healthcare systems if we cannot overcome the expenses and inefficiencies of operating redundant systems in which procurement of precious resources is duplicative and wasteful.

We simply cannot continue to award and administer expensive, mutually exclusive health care contracts for pharmaceuticals, medical and surgical supplies, inventory management systems, and high-tech medical equipment, just to mention a few.

Our bottom line missions to care for active duty personnel and veterans are not mutually exclusive – we are caring for one population: men and women who made a commitment to protect our way of life, to the death, if need be.

A surgical dressing for a post-operative patient in an Army hospital is no different from a surgical dressing for an Army veteran recovering from surgery in a VA medical center.

An EKG machine to monitor the heartbeat of a sailor is no different from an EKG machine monitoring the heart of a Navy veteran.

A pharmaceutical formulary suited to the Air Force should be a subset of a larger, coordinated formulary comprising pharmaceuticals that meet the unique needs of the military and VA, while offering the economic benefits of single-point purchasing.

A doctor's examining room at Camp Pendleton Marine Corps Base is just as in need of high-quality, best-priced supplies as an examining room at the San Diego VA Medical Center down the road.

Marines and Marine Corps veterans do not differ in their love of country...why should our Departments differ in our care for them?

We are making progress in implementing the Memorandum of Agreement VA and DOD signed in 1999, to combine the purchasing power of our two Departments, is showing progress.

In January 2001, DOD converted its pharmaceutical pricing structure to VA's negotiated Federal Supply Schedule database – establishing one federal price for pharmaceuticals...resulting in significant pricing efficiencies for both Departments.

This past January, DOD began importing FSS prices into their system for medical and surgical items, which will undoubtedly show overall price reductions for DOD and VA by the end of this year.

We are in the process of finalizing an appendix to the MOA with respect to high-tech equipment, and when that is in place, we will see additional savings both in actual equipment costs and the costs of managing the procurements.

The VA-DOD procurement future is looking brighter, but there is more we need to do to maximize every tax dollar that we spend. Single contracts and single Blanket Purchase Agreements for tiered pricing would be the most efficient and dollar-for-dollar effective system in terms of quality of care and taxpayer savings.

During my confirmation hearing last year, I made it clear that I would have as my number one priority the immediate and uncompromising reduction of more than 600,000 outstanding veterans benefits claims.

Records management is at the heart of benefits delivery, and a veteran's health care records – his or her medical files and related documents, don't simply materialize when VA needs them to process a claim.

Those records are accumulations of information gathered about a person – not a number or a statistic – but that person, that veteran, that citizen – from the day he or she puts on our uniform, until the day that record is needed to support a claim.

I am convinced that our two Departments must develop interchangeable electronic medical records and adopt a seamless, invisible, records exchange system that will allow DOD and VA to meet the health care needs of the active duty force and the veteran population.

Those records must not only meet the clinical needs of DOD and VA health care providers, they must be accessible to VA's veterans' benefits staff without delay, bearing complete and timely information regarding the veteran's eligibility for the benefits or compensation he or she earned during their military service.

If we are to become partners in records sharing, we must also be partners in information technology.

Common IT standards for healthcare and benefits promise a revolution in care, communications, and cooperation between our Departments if we can demonstrate and develop IT

systems that are secure, easy to use, cost-efficient, and, most importantly, improve the quality of care and the delivery of benefits to our clients.

Let's look at the history of rail commerce in the United States for an example of successful standardization: In 1830, the first full-year of railroad construction in the U.S., only 23 miles of track were laid. There were no standards for track width, and commerce over incompatible tracks was impractical, to say the least.

With no incentive to grow, the future of rail transportation was stymied. The adoption in the early 1830s of the British standard track width of 56-and-a-half-inches caused an exponential expansion of U.S. railroads.

By 1840, after the broad adoption of the standard width, more than 2,000 miles of track were being laid per year. By 1860, there were more than 30,000 miles of track, and railroads were carrying almost 2 billion tons of freight annually.

We can and must build a compatible system of inter agency information sharing if we are to assure our military personnel and our veterans a common, seamless, and efficient system of information transfer.

The ability of our Departments to freely exchange comparable and compatible clinical, management, and financial information is vital if we are going to achieve our goal of becoming effective benefit delivery partners and good stewards of the taxpayer dollars.

With a common IT system in place, we can explore the best ways to share data – whether it be from DEERS files in support of VA requests for personnel information, or VA's adoption of DOD's Defense Medical Logistics Standard Support to improve logistics responsiveness.

IT commonality will allow us to proceed with the development of standardized business processes for electronic patient consent and authorization procedures, as required by HIPAA in 1996. And standardized IT will allow DOD and VA to develop a clinical data repository to insure continuity of health care delivery throughout a service member's life

We are all acutely aware of the newest mission our two departments share: Homeland security. VA and DOD healthcare professionals are qualified to treat victims of the most horrendous events, and we have, between us, developed cutting edge medical technologies that are saving lives and improving the quality of life for millions of Americans.

By working together, analyzing the needs, planning for responses, and setting in place compatible technologies and clinical protocols, we will be ready for the worst that might befall our nation.

Ladies and gentlemen, I want very much to report to the President that VA and DOD are ready to meet tomorrow's healthcare challenges today. As I indicated, we have made progress, but so much more needs to be done if we are to build a true partnership. The cultural and institutional barriers that have impeded a true partnership need to be lowered.

Secretary Rumsfeld and I are relying on you and your colleagues to think innovatively and act decisively in order to build a partnership of care that recognizes that the needs of our beneficiaries are the same, that the resources we have to work with are finite, and that the time we have to prepare is upon us.

My challenge to you is both simple and daunting. We share a health care harbor; the boats in the harbor may differ – some are designed for war fighting, others for domestic care, still others have seen their days on the line and are now enjoying the safe harbor of life.

DOD and VA must be ready to meet an incoming tide of health care demands, and the President, and Secretary Rumsfeld I need you to assure all those we care for that all our boats will rise safely on that tide.

Thank you, and God bless our United States.

**Anthony J. Principi
Secretary of Veterans Affairs
CALBIO Summit 2002
San Diego, CA
April 22, 2002**

Good afternoon, everyone. Thank you for that kind introduction. And thank you all for that warm reception. It's great to be home again!

The title of my speech, "On the Shoulders of Giants: the Past, Present and Future of VA Research" refers to a quote by Sir Isaac Newton. "If I have seen farther than others," he said, "it is because I have stood on the shoulders of giants."

VA researchers, too, stand on the shoulders of giants.

Our researchers developed and tested some of the first effective therapies for tuberculosis;

Invented the implantable cardiac pacemaker;

Pioneered the concepts that led to the development of CAT scanners;

Performed the first successful liver transplants;

Developed the nicotine patch;

And took part in the first successful drug treatments for high blood pressure and schizophrenia.

The men and women who made these discoveries were giants in their fields. Their work expanded the boundaries of medical knowledge in ways that profoundly affect our daily lives.

Some won great prizes for their work; three are Nobel laureates. Their accomplishments shape what researchers throughout the world do today, and will continue to influence what others do tomorrow.

Successful VA researchers from the past are not the only shoulders upon which our program stands.

Let me tell you about a friend of mine. His name is Joe Bigalow. You may not have heard of him, but Joe was among the defenders of Bataan back in 1942.

Although starving, low on ammunition, and virtually out of medicine, Joe and his comrades made a determined stand, keeping the Japanese out of Australia and New Zealand, and buying us time to recruit, train and equip the troops who brought us victory three years later.

Joe and 78,000 of his American and Filipino comrades were taken prisoner when further resistance was no longer possible on Bataan. Sixty years ago this month, Joe was forced

to take part in the Bataan Death March.

Tens of thousands of men, starving and weak from malaria, were beaten, clubbed and bayoneted and forced to walk sixty-five miles in tropical heat with little or no food, water or shelter. Thousands died along the way.

Joe survived the march and its destination—Cabanatuan prison camp. Later, he was shipped to slave labor in a freezing coalmine in Manchuria. When the mine wall collapsed, Joe was trapped. His fellow prisoners saved his life...by amputating his leg without anesthesia. After victory, he came home, raised a family, lived a good and full life, and now devotes his time to helping his fellow former Prisoners of War.

Although he would deny it if you met him, Joe is a real hero. His, too, are the shoulders of a giant upon which VA's research program stands.

Joe Bigelow put his life on the line for America. No amount of money will adequately compensate him for the pain and suffering he endured in prison; no prosthetic limb will fully replace the limb he gave for our freedom.

But America has an obligation to Joe, and his 25 million living comrades. Our obligation is to do whatever we can to see to it that they are not disadvantaged as a result of their service. That is the sacred responsibility entrusted to the Department of Veterans Affairs.

VA's mission includes compensating eligible veterans for their injuries; providing pensions for those incapable of earning a living; holding open the door to the middle class through our education and home loan benefit programs; offering family security through our insurance plans; maintaining stewardship of 120 national cemeteries as shrines to the service of the heroes interred there, and offering world-class health care to veterans who choose us as their health care provider.

VA's Research and Development service plays a vital role in our success. Partnering with the biotechnology industry and our nation's great universities, such as those of you here today, VA researchers discover new knowledge and create innovations that advance the health of veterans—and the rest of our nation's citizens

Today, our researchers are pursuing ten thousand research projects focused directly on the diseases and conditions that affect many of the four million patients our department serves each year.

Our researchers see their results rapidly and directly applied to better patient care at the 1300 sites where we provide care to sick and injured veterans. We are a "full service" research system, emphasizing biomedical research as well as clinical, health services and rehabilitation research to improve care for veterans and non-veterans alike.

Our Medical Research Service conducts biomedical studies on the causes, development, diagnosis and treatment of diseases prevalent among veterans;

Our Cooperative Studies Program determines the effectiveness of new therapies through multicenter studies. Our investigators collaborate with researchers around the world to test new treatments that benefit veterans and the general population. I would hope that many of you have had experience in working with our researchers in our clinical trials.

Our Health Services Research and Development Service identifies effective and efficient ways to organize and deliver health care at the patient and system-wide levels; and

Our Rehabilitation Research and Development service promotes research designed to maximize independence for patients by restoring lost function or decreasing the impact of disabilities.

Our total research staff is about 3,100, and our total research budget for 2002 is about \$1.2 billion. This sum includes \$371 million in direct appropriations for research; \$400 million in support from funding appropriated for medical care, and the rest comes from grants from other federal agencies and pharmaceutical companies.

For the Wall Street Journal, VA research is “leading the movement to unlock the data lurking in hospitals to help doctors improve patient care and reduce errors.”

For a coalition of veterans’ service organizations, VA research is “the most focused and clinically productive research program in the federal research portfolio.”

And for the actor Christopher Reeve, VA research is “a model for what research can and must be.”

For those of you in the life sciences industry, VA research is a partner.

A partner eager to work with you to develop new treatments and therapies and bring them to market;

A partner that believes in competition, not regulation, as a way of life;

A partner with a proven track record of efficiency, safety and quality;

A partner whose basic research programs are designed to complement your organizations’ applied research work;

A partner dedicated to translating research results into improved patient care; and

A partner willing to commit unprecedented resources to monitoring and mentoring today’s talented young scientists.

For Joe Bigalow, though, the importance of VA research is simpler.

For Joe, VA research means a succession of lighter weight and better fitting artificial limbs, including the world-famous Seattle VA foot.

For Joe, VA research means better treatments for diseases he and other former Prisoners of War are susceptible to because of their captivity, such as ulcers, irritable bowels, and heart disease; and a greater understanding of the psychological effects of his captivity and ways for him to lessen the life-long stress that often results.

And now that Joe is getting on in years, VA research means he benefits from the vast amount of knowledge our researchers have developed on the aging process, and the improvements to the overall quality of care for elderly veterans which result from that knowledge.

Joe Bigalow, of course, is not the only person to benefit from our programs. The numbers of ordinary—and extraordinary—Joes we help is numbered, not in thousands or millions, but in billions.

Just last month, for example, one group of VA researchers convincingly showed that a person's peak exercise capacity as measured on a treadmill test was the best existing indicator of life longevity.

Another group found dramatically lower rates of Alzheimer's disease among white women who take cholesterol medication.

And researchers right here at the San Diego VA Medical Center, as part of a team with Army and university scientists, announced they had helped develop the first orally-administered drug proven effective in halting the deadly action of smallpox and related infections.

The new smallpox drug offers hope that, when additional testing is completed, we will have a practical defense against a bioterrorism attack or a widespread epidemic.

Let me tell you about a few of the projects now underway in VA laboratories throughout America. These programs include one of the largest studies of diabetes ever undertaken; clinical trials of a super-vitamin that might replace cholesterol-lowering therapy as a means of preventing heart attacks; and a recent discovery that could save Medicare \$140 million—every year!

The diabetes study I mentioned will look at whether intensive glycemic control can reduce morbidity and mortality compared to standard glycemic control in type 2 diabetics. It's a \$63 million study, involving 1700 patients and twenty hospitals, and is the largest study of Type 2 diabetes currently ongoing in the United States.

Of that \$63 million budgeted for the study, only about \$11 million comes from VA. The rest comes from our partners: Smith Klein Beecham, Novo-Nordisk, Aventis, KOS, Roche, Novartis and the American Diabetes Association.

Only VA is big enough to conduct testing on this scale. We've brought together the five big pharmaceutical corporations, the ADA and the federal government in a research effort that will change the lives of millions of Americans. I'm proud of the partnership we've put together—and expect great results from it.

Want another example of how VA partners with pharmaceutical companies? One of VA's most famous researchers is Dr. Kilmer McCully. Dr. McCully pioneered in the development of research that determined that plasma homocysteine (homo-cyst-teen) levels are strongly correlated to cardiovascular death and disease—a stronger correlation than blood cholesterol levels provide. Twenty years of study by other researchers have corroborated Dr. McCully's findings.

Now we are about to see if reducing homo-cyst-teen levels in the blood can keep patients healthy. Together with Abbot Diagnostics and Pan American Laboratories, we have created a vitamin tablet, containing 40 milligrams of folic acid, 100 milligrams of pyridoxine (PYE-ree-dock-sine) and two milligrams of vitamin B-12—a compound designed to lower homocysteine levels in the blood.

Two thousand patients at 36 VA hospitals are now either taking this new tablet or a placebo. All have been diagnosed with either chronic renal failure or end-stage renal disease—illnesses where the incidence of cardiovascular death and disease are among the highest of all patient populations.

If the experiment is a success, the day will come when millions of Americans will take this new tablet along with their other morning vitamins to keep heart-healthy. And not only will VA share the glory—thanks to an innovative royalty agreement, we will share in the revenues!

Any revenues we receive will be used to improve care to veterans at our medical centers—and to reduce the burden operating those medical centers places on the American taxpayer. Our proposed health care budget for fiscal year 2003 is \$25 billion. I know the American taxpayer would welcome being relieved of some of that burden.

Our research program is helping the nation in other ways, as well. Our emphasis on efficiency, safety and quality has produced tremendous improvements in our care. And the data and case studies we have developed allow us to share what we have learned with other health care providers.

Sharing some of the economies we have achieved through innovation and planning has the potential to keep health care costs down for all Americans.

Improved use of our purchasing power, increased use of preventive health care, better use of physicians' time, improved cooperation with our partners in the health care industry, and innovations in diagnosis and treatment have all helped our Department to treat one million more patients than we did six years ago—at 24 percent lower cost per patient!

Here's an example: a recent study by the Inspector General for the Department of Health and Human Services found that Medicare could have saved \$1.9 billion on 24 drugs, if the Department of Health and Human Services could get the same prices for Medicare that we negotiated for veterans.

How was VA able to achieve these savings for taxpayers? Through competition and negotiation. We are believers in the free market: our negotiators are tough, but fair. And we

are continually looking at our procurement processes to insure we get the best bang for the buck.

Besides efficiencies in our procurement processes, we are reducing costs through preventive health measures. Our immunization rates for pneumococcal pneumonia and influenza far exceed the goals established for Americans nationwide;

Our breast and cervical cancer screening rates are well above the national average;

And patients treated for myocardial infarctions at VA medical centers receive life-saving aspirin and beta-blockers 97 percent of the time—compared to 49 percent of non-VA patients.

We are also using our physicians' and our patients' time more efficiently. In 2000, we conducted more than 350,000 consultations through telemedicine. Radiology, pathology, dermatology, psychiatry and spinal cord injury are all areas where we use telemedicine to extend the reach and vision of our clinical experts.

And we are conducting a number of studies to insure that we are using drugs properly, and cost effectively.

A physician at our Hines Medical Center in Illinois recently led a study on the use of the drug epoetin (ee-po-tin), used to treat patients with end-stage renal disease. The drug increases hematocrit levels, and stimulates the bone marrow to make red blood cells.

Ee-po-tin is a very expensive drug, usually given intravenously. However, some physicians were injecting ee-po-tin subcutaneously. VA's study confirmed the hypothesis that subcutaneous ee-po-tin injections might increase the effectiveness of the drug.

Having established that subcutaneous injections of ee-po-tin improved the drug's effectiveness, our researchers then determined that the drug would still be effective with lower doses. Lower dosages, of course, result in lower costs—and increased savings for VA that can be plowed back into more and better treatment for veterans.

Once they established the proper dosage, our researchers immediately made their results known to the rest of VA—and now our annual costs for the drug are one third lower. A significant cost reduction would be a good day's work by any standard—but there is more to the story.

The study's lead researcher contacted the Centers for Medicare and Medicaid Services, which administers the Medicare program. Working with her, CMS researchers found that administering ee-po-tin subcutaneously and reducing its dosages to the level VA now uses will save Medicare as much as \$140 million—every year! A landmark paper on this was published in the New England Journal of Medicine on February 25.

Let's see: improved quality of care; a more efficient way to provide that care; improving the quality of life for thousands of sick veterans; reducing VA's costs; and saving the American taxpayer millions of dollars every year—you can't do much better than that!

Clinical research is the “Rosetta stone” which translates basic science to better human health. One of the primary goals of our research program is to translate research results into improved patient care.

Our Quality Enhancement Research, or QUERI, initiative targets eight conditions common among veterans—including heart disease, diabetes, mental illness, and spinal cord injury.

The QUERI program is designed to implement research results, assess physician practice behavior, reduce unnecessary practice variations, and measure improvements in patient outcomes and health care systems.

I am proud that a recent report by the Institute of Medicine called the Quality Enhancement Research Initiative, or QUERI, “one of the strongest examples in America of synthesizing the evidence base and applying it to clinical care.”

Our Department has also placed renewed emphasis on technology transfer in order to translate the basic research we do into new drugs and other therapies. Our new technology transfer program is aggressively taking the lead in disseminating new discoveries and inventions made by VA researchers.

We are entering into new research agreements and licenses with universities and biopharmaceutical companies around the nation. Our agreements and licenses will provide that intellectual property generated by VA researchers is licensed or sold to them in exchange for royalty payments on any sales.

Agreements with universities call for joint ownership of patents between VA and our affiliates in cases where innovations are produced cooperatively with our academic partners. Most such agreements give universities unimpeded access and authority to patent and market the intellectual property in question—on our behalf as well as theirs.

We are rigorously evaluating our inventions, educating our inventors about their rights and obligations, obtaining patents, and helping our partners in the industry to bring new products to market.

Eighty-five percent of royalties we receive are distributed between the researcher who made the initial discovery; the laboratory where he or she works; and the VA facility associated with that laboratory.

This plan for distribution of royalties, which began last year, is making VA facilities intellectually exciting places to work;

We expect that returning royalties to facilities, laboratories, and researchers will reduce the time it takes for veterans to benefit from our researchers’ discoveries; improve the satisfaction veterans have with their care; and make local communities proud of their VA facility.

Finally, our new technology transfer rules will help us maintain our reputation as an employer of choice in the research community, and attract the best and brightest of the young

clinicians and researchers in medical schools today—and those who will come along tomorrow.

Because one of the greatest strengths of VA research is the high caliber of our investigators. Nurturing and supporting investigators in the early, middle and advanced stages of their careers is a top priority of our research program.

We offer a wide variety of career enhancement programs and awards to reward and recognize the work of our researchers. Up to ten percent of our budget goes to support these programs.

The 3,000 men and women who make up VA's research and development service, led by our Chief Research Officer Dr. Jack Feussner, are among our Department's most valued and honored employees. They too are giants on whose shoulders future generations of researchers—VA and non-VA—will stand.

Sixty-two years ago, at a time when the winds of war were sweeping round the world, President Franklin D. Roosevelt spoke at a ceremony to dedicate two new government research buildings. He said:

“The total defense this nation seeks involves a great deal more than building airplanes, ships, guns, and bombs. We cannot be a strong nation unless we are a healthy nation. And so we must recruit not only men and materials, but also knowledge and science in the service of national strength.”

We cannot provide the quality of care our veterans have earned through their service and sacrifice unless we are a center of excellence and achievement and compassion in medical research for veterans. We have the funding, we have the people, we have the supporting infrastructure and, most important, we have the commitment to make this vision a reality.

As I look out at this room today, I see a room full of partners: government officials and biomedical representatives, veterans and non-veterans, clinicians and salespersons, all joined together to do what they can to alleviate human suffering.

Each of us, in different ways, have benefited ourselves from advances in medical science; from the skill of surgeons; and the skill of medical researchers—just as each of us has benefited from the service and sacrifice of Joe Bigalow and the twenty-five million of his fellow Americans who today wear the honored title of veteran.

Our veterans give us the gift of freedom, through their service and their sacrifices; our researchers and physicians give us the gift of hope and the ability to fully enjoy the freedoms veterans have purchased for us at so dear a cost to so many of them.

With a full understanding of the debt we owe to those who have made the historic breakthroughs on which we are building our research for the future; and with an even greater awareness of our responsibility to discharge America's debt to those who have worn our Nation's uniform, the Department of Veterans Affairs knows that, in everything we do, we stand

on the shoulders of giants.

And we also know that those shoulders have given our Department unparalleled vistas into the future President Roosevelt predicted—a future in which America is not only strong, but healthy: and where knowledge and science are every bit as revered as men and materials.

With your help, ladies and gentlemen, we will build a partnership between the Department of Veterans Affairs and the biotechnology industry that will take full advantage of the view this vantage point affords.

Thank you.

Anthony J. Principi
Secretary of Veterans Affairs
Commencement, Randolph-Macon Academy
Front Royal, Virginia
June 1, 2002

General Hobgood, Colonel DiPiero, Dean Ezell, Chairman Mathias, Cadets of the Class of 2002; parents, friends, and faculty; ladies and gentlemen.

I am honored to be with you on this wonderful morning and to congratulate you, the Cadets of the Class of 2002, on completing what will be only the most recent of a lifetime of successful accomplishments.

I know your families are proud of you. Parents, you deserve a lot of credit for these fine young men and women. Your hard work and unflinching support are the foundation of their success.

And for your teachers, a newsmagazine writer once said, "Teaching is not a lost art, but the regard for it is a lost tradition." I am sure that is not the case here at Randolph Macon Academy; your students and their parents all hold you in the highest regard.

And to you ladies and gentlemen, the class of 2002: You deserve to take some of the credit for your success—after all, you were the ones who did most of the work.

Cadets, teachers, parents, administrators...you all deserve credit on this graduation day...but credit an interesting thing. The less of it we take, the more of it we get.

Abraham Lincoln said, "There is no limit to how far you can go provided you don't care who gets the credit."

By that he meant the good you do in life—the work you help others accomplish, or the goals you help others achieve—when done selflessly, does not require your signature. There will be no limit on what you offer the world if you greet life's challenges with a willing heart and an open mind.

Many of you will head off to college this fall, and others will engage in new pursuits. In any event, you will be called on to make decisions all on your own for the first time in your life. There will be days when the choices in front of you seem downright overwhelming, and you will wonder if the choices you make will be the right ones.

Don't worry. You will make the right choices. Because Randolph Macon Academy has prepared you for the challenges of life in a country where we are free to make our own decisions.

Your teachers, your counselors, and your families have been with you every step of the way to help shape your decision-making ability. With their help, you went from dependence to independence.

I want you to think about that independence and what it really means. It didn't come without a price.

Your families paid into it—and I don't mean just in tuition. They made a decision to invest in your future by willingly making sacrifices, knowing their investment in you and your future would be the right choice for the whole family.

Your teachers contributed by choosing their noble profession. Their choice may have put other, perhaps more lucrative, dreams on hold, but they wanted to invest in your dreams. It was the right choice for the society in which we all live.

Others have contributed to your preparation as well. Like Chairman Mathias, who not only is the chairman of the Academy's board of trustees, but also has opened the doors to outstanding educational opportunities for many of you through the Mathias Family Scholarship,

And Vice Chairman Cunningham, who for thirty-six years has helped to lead this Academy into the future;

And Mrs. Shirley Corrun and Mrs. Ethel Garber; whose exceptional generosity to Randolph Macon and its cadets will always be remembered by everyone associated with the school;

And President Hobgood, Colonel Mieth, Colonel DiPiero, and Dean Ezell, who insure that Randolph Macon is a school where the virtues of knowledge, leadership and character are paramount.

Hundreds of people—some of whom you may never meet—have contributed their full hearts, their souls, and their best efforts into developing you into the fine men and women you have become.

And you invested part of yourselves in your own future. Because you chose to succeed at Randolph Macon Academy, you probably put some other, less lofty but more enjoyable pursuits aside. You made a commitment to yourself, to your families and to your school. You will reap the dividends of that investment for the rest of your lives.

But remember, life is not a solo event. All the choices I just mentioned are elements of your success—your families, your teachers, and yourselves, all helping you succeed. Now, the question is, where will that success lead?

You have achieved a milestone in your lives. You have accomplished something for yourselves today, but it is only a foundation for what you will be building for society tomorrow.

The world needs you.

How is that for a responsibility?

The world needs you.

Hunger is widespread in many lands. You will be asked to help stem its progress.

Poverty is common. You will be called on to help create opportunities for prosperity.

Disease is decimating whole nations. Your skills will be needed to bring relief and comfort to the sick.

Homelessness haunts our cities. Your determination will be needed to drive this specter out of society.

War is killing the innocent—even here in our beloved country on September 11th. Your leadership will be needed to bring reason and peace to a safe harbor.

Vigilance against terror is a requirement of all our citizens. Your military training may be called upon to face this new threat to our freedom and our liberty.

Hate still finds its victims in our free society. Your compassion will be called on to help bind the festering wounds of prejudice and to unite our nation's many voices into the one voice of equality.

You have it in your power to take on these challenges and build a better world. You may have heard the saying, "No man sees so far as he who lifts another on his shoulders." It is true. And that is your mission from this day forth.

Go from this place and begin to achieve your destiny with the goal of lifting others so they may see a better world.

For some of you that destiny will be found in our nation's armed services.

Some of you will take up the profession of medicine; others, law. Perhaps a few of you will find satisfaction in planning cities and building new information pathways.

I'm sure there are those among you who will enjoy the challenges of scientific discovery—eradicating disease, expanding global food resources, or meeting the world's incessant need for energy. And I know some of you will choose public service as a way to assure our own nation's well being for future generations.

So much to do and so many choices.

The 19th Century writer and philosopher George Moore said it succinctly, "The difficulty in life is the choice."

Your education here at Randolph Macon Academy has opened up a world of choices—not just where to go to college or what major to choose, not even what profession to choose, but what choices you have to help others.

From this day forward, you will be planning your life's path. I urge you to make a part of that path a commitment to help others and to participate in the free society that so many men

and women have given their lives to protect and defend.

President Bush has called on all Americans to volunteer two years of service to a greater cause – that’s 4,000 hours of commitment to our community, our nation, our world.

In his Inaugural Address in 2001, the President asked all Americans to “seek a common good beyond your comfort; to defend needed reforms against easy attacks; to serve your nation, beginning with your neighbor. I ask you to be citizens: citizens, not spectators; citizens, not subjects; responsible citizens, building communities of service, and a nation of character.”

Cadets of 2002...America needs great people—people who will be citizens, not spectators; people who will build and enliven their communities wherever they live; people with courage; and people with character. Randolph Macon Academy has done all it can to insure that you have each of these attributes.

Because of this, you are our hope for the future—not only for America, but also for the world. I encourage you to aspire to greatness in every challenge you accept. I urge you to encourage greatness in others, and to show them the path to greatness by your example.

You have it in your power to lift humanity to a new level, toward a brighter light, and into a better future. Your shoulders have become broader thanks to the education you received here at Randolph Macon Academy. They will become wider still as you take on new challenges in education, as you bear the new responsibilities of citizenship in this great country, and as you open your hearts and minds in the service of the world.

This week, I had the honor of accompanying our President to Normandy, France, where the liberation of Europe began on June 6th, 1944.

As I stood on Omaha Beach and gazed at the towering cliffs surrounding the beach, I reflected on the courage of boys your age—seventeen and eighteen years old—who climbed those cliffs in the face of furious and deadly fire from a well-entrenched enemy. What a challenge to have to overcome!

And I thought of the challenges I faced in my daily life and in leading the Department of Veterans Affairs—and suddenly, my problems didn’t seem so large.

Throughout your lives, you, too, will face great challenges. You will be asked to do many difficult things — for yourselves, for your family, for your country.

Sometimes you will feel the tasks you have been given are too large, or the pressure on you too great, or the opposition too strong.

At times, you will want to give up—and others will try to get you to give up.

And when that happens, I want you to remember one thing: the young men who fought on D-Day never gave up. And because they never gave up, they saved the world.

At the top of those cliffs are over 9,000 marble crosses and Stars of David bearing elegant testimony to their sacrifices.

Now, graduates, it is your turn to save the world. Your turn to defend our nation against those who envy Americans our freedom and our prosperity and would resort to force to take it from us;

Your turn to safeguard the democratic processes our ancestors bequeathed to us two and a quarter centuries ago;

Your turn to insure that justice is done, and liberty protected, and the truth defended, not only here in America, but throughout the world.

My generation has placed a great burden on your shoulders—as it was placed on ours when we were your age. But we—your parents, your teachers, your friends and your families—have done our best to train you for the responsibility of leading America in the 21st century. You can do it. You must do it. You will do it.

And when the going gets tough, as it will someday, remember those young boys who scaled the cliffs of Normandy so that all of us could live in freedom—

And never give up.

Congratulations to the Cadet Class of 2002.

Thank you, and God bless America.

Leo S. Mackay, Jr., Ph.D.
Deputy Secretary of Veterans Affairs
CARES Roll-Out
Chicago, Illinois
February 8, 2002

Good afternoon, everyone. I know the decisions I am announcing today are important to veterans, their families, and the many other people who have been following our study of VA medical facilities in Illinois, Wisconsin, and Michigan.

This morning, I met with members of the local veterans' community and leaders of area veterans service organizations. We had a productive exchange of views about changes in VA health care delivery here in Chicago.

As does the Secretary of Veterans Affairs, I appreciate and respect the candor of Chicago's veterans.

Full and healthy discourse is a good thing ... and I can assure you that VA will always welcome input from all veterans and their families.

The VA health care system was largely designed and built in the first half of the 20th century. It was a time when care was mostly provided in a hospital setting.

Since then, health care in America has changed dramatically, and these changes are continuing today. Most medical care now is provided in outpatient settings where care is local and community-based.

The demographics of America's veterans' population are also changing. On average, veterans are aging and requiring different kinds of health care than they did when they were younger.

Many veterans, too — especially elderly veterans — are living in different places than they did in years past. These trends are expected to continue.

The VA health care system is evolving to meet the changing needs and changing locations of the men and women we serve.

We've come a long way in more than a half-century, most dramatically so in recent years.

We've transformed the delivery of veterans' health care, and pioneered quality management in health care.

We've successfully adapted to rapid changes in medical science and technology.

In short, we've created a new VA, one that is substantially different ... and profoundly better.

Like the private health care sector, VA has moved from a hospital-based system — often far from a veteran’s home — to a locally based, outpatient model.

With more than 800 outpatient and ambulatory care clinics across the Nation, 87% of VA’s patient population now lives within 30 minutes of a VA medical facility.

The trend toward outpatient care — coupled with shifting population centers — means that some VA hospital complexes are left with unneeded buildings.

It has become increasingly clear that VA must make more efficient use of its finite resources.

I’m certain not one among us here today chooses to spend our personal income irresponsibly. Like most people, we put our money where it is needed and where it will do the most good, for our families and ourselves.

And it’s no different for VA. We are on a fixed income, appropriated by Congress.

A recent General Accounting Office report found that VA spends \$1 million dollars every day just on maintaining and operating unneeded and outdated medical buildings.

GAO recommended — and VA agrees — that these funds could be better spent treating veterans.

Hospital beds do not equate with the quality or quantity of medical care. And they do not mean improved access to care.

Keeping unneeded beds available simply to maintain a “bed count” means that we are not making the best use of the resources America has entrusted to us.

Funds that could be better spent on treating veterans.

We can do this not by cutting corners, but by taking positive action.

Actions like realistically assessing where we spend our resources ... how those spent funds benefit veterans ... and identifying changes to better use taxpayer dollars earmarked for veterans.

That’s what VA’s Capital Asset Realignment for Enhanced Services — the CARES process — does.

CARES means just what it stands for – enhanced services.

It doesn’t mean closed facilities. It means health care in different and renovated facilities.

It doesn’t mean less care, but a greater level of care ... and greater access to care.

It doesn't mean a reduction in health care services ... just a change in the way those services are delivered.

Through this program we are looking at our health care system, Nationwide, to determine how we can best meet the future needs of America's veterans.

Given our mandate to provide quality care to as many veterans as possible, CARES is one of our Department's most important undertakings.

It will get us out of the "landlord" business of managing under-utilized health care facilities ...

It will better establish our standing at the forefront of American health care ...

And it will convert funds languishing in a quagmire of buildings and real estate into resources working directly for veterans.

The first phase of CARES was done in the area we call VISN 12 — facilities in the Chicago area, Wisconsin, and part of Michigan. I have four announcements to make today as a result of the CARES VISN 12 Study.

First, VA will continue inpatient services at the Iron Mountain, Michigan, VA Medical Center. That facility will maintain its current role as a telemedicine hub — one of the most sophisticated in the country.

Second, inpatient services will also be continued at the Madison, Wisconsin, VA Medical Center ...

Seventy-five nursing home beds will be transferred from the Tomah, Wisconsin VA Medical Center, bringing Madison to full capacity. Madison and Tomah will maintain their current missions, and be renovated.

Third, the Hines, Illinois VA medical center will have no change in mission. The plan calls for the facility to be renovated, including the Blind Rehabilitation and Spinal Cord Injury Centers.

And fourth, VA will maintain our large, multi-specialty outpatient clinic at the Lakeside Division of the Chicago Health Care System, and shift all inpatient services to its West Side Division.

These changes will be phased in over a period of several years. I promise all employees and veterans that every effort will be made to minimize their impact.

Over the next two decades, realignments in Network 12 will allow as much as \$725 million in today's dollars to be used to enhance inpatient and outpatient care, special disability programs, and for long-term care within the network.

I know full well that there will be those who will be pleased ... and those who will be

disappointed by these actions. They were tough decisions.

But I can assure you they were decisions not made arbitrarily. They were made on the basis of in-depth analysis and evaluation of all the facts, issues, and options.

They were based on a long and full process that incorporated the views and interests of many stakeholders.

And — I want to stress this point clearly — they were decisions made with genuine concern and consideration for veterans and their families.

Here in Chicago, like elsewhere, the vast majority of health care we provide is on an outpatient basis.

The large, multi-specialty clinic at Lakeside Division is well positioned for veterans to continue to receive most of their care here.

Outpatient care does not need to be provided at the same location as hospital services. In fact, in most private health care settings, doctors' offices are commonly located apart from hospitals.

Patients will travel to West Side only for more infrequent instances where inpatient care is needed.

Projections show that there will be a substantial decline in enrollees for VA care by the year 2010.

Data show that by 2010 there will be only 43,000 enrollees for VA health care in Chicago, as opposed to 77,000 today.

And it's expected that the area's demand for acute care beds can be met by a single hospital.

A study conducted two years ago, recommended that the West Side Division be closed.

The comprehensive methodology of the CARES study, however, led to a different decision: to use West Side as an inpatient facility to complement nearby Lakeside Division's outpatient care.

I know that transportation is an issue of great importance. It received close scrutiny during the decision-making process.

Veterans currently using public transportation can continue to obtain care at both the West Side and Lakeside divisions, scant miles apart.

To address potential parking concerns, VA has received approval to enter into an enhanced-use lease for a privately financed onsite office and parking complex at West Side.

It will provide VA with access to 1,200 parking spaces, a number of which will be set-aside exclusively for veterans at no charge.

The CARES process that brought about the realignments in VISN 12 is a detailed and measured one. We employed objective standards.

We gathered information, data, and projections ... developed service delivery options ... conducted evaluations ... solicited public comment ... and tabulated comprehensive sets of input and data.

We relied heavily on stakeholder involvement.

We sought out and incorporated input from veterans, VA employees, VSOs, medical school affiliates, Congressional representatives and staff, VA volunteers, and local community officials.

In the course of preparing the study, VA heard from more than 13,000 interested parties. I thank each of them for participating in this process. Every comment was carefully considered before a final decision was made.

Of course, any process can be made better. And we intend to correct any deficiencies we find.

We are committed to refining its operation continuously as we study other VA Networks over the coming years.

But we certainly stand by its integrity as an objective, sound, and consistent planning tool that will bring significant health care dividends to veterans.

I would like to close my remarks by saying that we recognize that change is not easy. It can be unsettling. But it is often necessary.

VA must be a good change manager if we are to keep our commitment to the Nation's veterans ...

Change is paramount if we are to fully and fairly meet the needs of all our veterans ... and keep faith with our talented and devoted work force — today and tomorrow.

VA is committed to doing what is right ... to working efficiently and in the best interest of veterans ... to being accountable for our actions.

In the end, these decisions were based on what we believe is best for my fellow veterans ... and for the future of the VA health care system.

This is the same yardstick used for every decision that the Secretary and I make. I am convinced that we have met this test.

Thank you.

Leo S. Mackay, Jr., Ph.D.
Deputy Secretary of Veterans Affairs
6th Annual Conference at National Gulf War Resource Center
Atlanta, Georgia
May 4, 2002

Thank you, Steve (Robinson, Executive Director, NGWRC), for your kind introduction. And thank you all for your warm reception.

On behalf of the Department of Veterans Affairs, I am pleased to be here to deliver, in person, a message of unqualified support to the members of the National Gulf War Resource Center.

Next month will mark ten years since the initial cluster of symptomatic veterans were first seen at Fort Benjamin Harrison.

The war in the Gulf may have ended more than a decade ago . . .

But it's still being fought every day by veterans who – like many of you – battle headaches, fatigue, memory loss, muscle spasms, joint pain, and depression among a host of other debilitating symptoms . . .

Symptoms as varied as their hypothesized causes.

The last ten years have not covered VA in glory. We owe you better.

We will deliver. This is a new time.

It is a time to honor the service and the sacrifice of America's best with honesty.

This is a new team.

In selecting a great veteran like Anthony Principi, President Bush himself has already shown leadership in honoring our promises to veterans – both our explicit promises, like quality health care and our implicit promises, like a belief in the value of America's veterans – every one of you.

There is a new attitude. In December, a joint VA-DoD study showed that veterans of Operation Desert Storm were about twice as likely to contract Lou Gehrig's disease – ALS – as men and women who were not in the theater of operations.

Secretary Principi acted. He did not talk, nor did he study it some more. Men and women were dying, and Secretary Principi acted.

In January, I had the honor of announcing a new VA Research Advisory Committee on Gulf War Veterans Illnesses. We have some of the best researchers in the country on this committee.

They embody this new attitude – a clean break with the past.

Yesterday they were shut out, today they sit at the table, and with them, you.

The committee will oversee research into the illnesses that thousands of our Gulf War veterans experience.

The success of the committee will be measured by its contribution to the health of Gulf War veterans. They are ill and we must help them.

Everyone here has heard about Khamisyiah.

Let me tell you, Khamisyiah is evidence of the new attitude – when we find something that's out of the ordinary, that's counterintuitive, such as these mortality numbers, we get it out in the open and look hard at it.

The guy you see me with today, Jeff Phillips, was in that plume – both plumes. My senior advisor, Eric Benson, was flying an F-14 in strikes that hit the Khamisyiah complex and was breathing that air.

This is not an abstraction to us.

When data appeared several weeks ago, suggesting a real anomaly, a VA staffer took action. And we looked hard at the data. We found a problem with how the data itself had been presented, not evidence of greater mortality.

But we have not dismissed the fact that Gulf War veterans are sick and rely on us to find out why.

The time has now come to think outside the box . . . to consider perspectives and input from all quarters . . .

And through stepped up research, make meaningful progress in the fight against this medical scourge.

Under President Bush's administration, the Department of Veterans Affairs is serious and committed to investigating all possible causes . . . and to furthering all possible treatment options.

We believe, as you do, that too much time has elapsed without much to show for it. Ten years is too long!

America's sick Gulf War veterans deserve answers . . .

They deserve effective treatments that will alleviate their suffering . . .

And they deserve the full weight of medical research to improve their health.

At VA, the ongoing battle to find answers to Gulf War Illnesses is being fought on many fronts.

Our Centers for the Study of War-Related Illnesses hold promise for improving both the health and quality-of-life of Americans afflicted with these frustrating ailments.

Finding curative therapies has been difficult because modern medicine does not understand – and therefore cannot fully explain – the causes of some sicknesses experienced by returning veterans.

Our centers are focused on exploring effective prevention and treatment techniques by leveraging nontraditional protocols.

Meanwhile, VA's Gulf War Registry and outreach efforts are sharing information with veterans regarding emerging medical developments and benefits changes.

So far, well over 80,000 veterans have made use of this service.

We have worked long and hard to keep Gulf War veterans and their families informed on relevant health care and compensation issues.

We will continue to do so through our direct-mail newsletters, fact sheets, web sites, our national telephone hotline, and other materials.

Our outreach is not limited to veterans, however. It also covers VA health care providers.

We want to ensure that all Gulf War veterans coming to our facilities will encounter medical staff who are not only knowledgeable, but also sensitive to their health care concerns.

For example, we have developed an independent study guide and issued clinical guidelines for certain difficult-to-diagnose illnesses as tools to improve the quality of care we provide Gulf War veterans.

But most important, by far, of any initiative is research.

To date, VA has conducted or collaborated with the Departments of Defense, Health and Human Services, and academics here and abroad to generate a Gulf War health research portfolio of almost 200 Federally funded research studies – costing more than \$150 million.

Based on sound scientific investigation, my Department is intent on exploring all appropriate avenues and ensuring that all promising research – as well as gaps in research – is identified.

There is no doubt that purposeful research – grounded in the best science and focused on results – will ultimately make a difference in the physical health of Gulf War veterans and their families.

Secretary Principi's decision that Gulf War veterans sick with Lou Gehrig's disease would be cared for unconditionally . . . and receive compensation for their suffering was a good decision, based on good science . . .

And we seek other breakthroughs of this kind that will benefit Gulf War veterans.

The importance of gaining every advantage from the lessons of the Gulf War cannot be overstated.

In the ongoing war on terrorism, any advantages that may accrue from lessons learned may be critically important.

The number of veterans and active duty personnel who have been – or may be – affected by service in the Gulf demands that we evaluate all potential research for answers to the health questions stemming from this event.

What is transparent is that the battlefield environment has changed markedly over the past decades.

What we've learned is that combat casualties do not always come from bullets and bombs. They do not always result in visible wounds ...

But they are just as debilitating, and just as lethal.

Traditional medical care tries to prevent and treat casualties caused directly by combat.

But experience from the Vietnam and Gulf wars has shown this approach is no longer the only one.

Compelling challenges – such as Gulf War Illnesses – call for rigorous response.

And VA recently augmented our response by adding another weapon to our growing Gulf War arsenal.

The Secretary's Research Advisory Committee on Gulf War Veterans' Illnesses will now oversee VA's research in this area. Its members come from the medical, scientific, and veterans' communities.

Together, they provide the wide-ranging expertise and vision needed to chart new courses in the quest for a resolution to Gulf War Illnesses.

They bring diverse viewpoints about the direction of applicable research.

They offer new voices in the search for answers ... medical breakthroughs ... and effective treatments.

Its members agree on one thing.

They are united in their goal to help ailing veterans ... to hasten the cures that will put an end to their decade-long suffering.

This committee – and the work it undertakes – represents one more solid opportunity to advance in our fight to achieve these goals.

I am happy to recognize several committee members here with us today.

Jim Binns, our committee chair
Steve Robinson, whom you all know
Dr. Lea Steele
Joel Graves
Jim Tuite, from our expert panel

Would you all please stand so that we may offer proper thanks for your generosity in sharing your time, talent, and abilities with VA on behalf of America's Gulf War veterans.

In closing, I would like to tell you that – on behalf of the Secretary and entire Department – I am grateful for the work of the National Gulf War Resource Center.

You are truly on the front lines in the fight against Gulf War Illness.

Your broad-based advocacy of Gulf War issues provides VA and our Federal partners with a reliable sounding board.

We value your counsel and candor as we work to resolve the complexities of the Gulf War's toxic legacy.

And, most important, be certain that we embrace and support the National Gulf War Resource Center's mission.

Thank you for inviting me to join you this morning.

God bless you for your service.

And God bless America.

Robert H. Roswell, M.D.
Under Secretary for Health
Statement before the House Committee on Government Reform
Subcommittee on National Security, Veterans Affairs,
And International Relations
Veterans Equitable Resource Allocation System
May 14, 2002

Mr. Chairman, it is my pleasure to testify before the Committee on the status of the Veterans Equitable Resource Allocation (VERA) model.

As you know, VERA was developed at the direction of Congress to replace an outdated historical based allocation system. Over the years, the VERA model has been improved and enhanced to respond in a fair and equitable manner to changes in the practice of medicine and in the delivery of health care services. Proposed changes to the VERA model have been generated from two main sources, internal teams of senior VA health care practitioners, managers, and executives; and external consultants such as the General Accounting Office (GAO), the RAND Corporation, and PriceWaterhouseCoopers. GAO has been particularly helpful in highlighting areas and challenges that need to be addressed to improve the VERA model. The recommended changes and improvements from outside experts are an excellent endorsement of the effectiveness of the VERA model, because none of them has ever recommended replacing the VERA model. The external experts have all acknowledged that the VERA model is basically meeting its objective of allocating scarce resources in a fair and equitable manner.

Since its inception, the VERA model has been developed to account for regional variances. For example, in FY 1997 a geographic price adjustment was introduced to recognize the impact of regional variations in the cost of labor. In the FY 2002 VERA model, the two VISNs with the highest labor costs are VISNs 21 (San Francisco) and 3 (Bronx); the two VISNs with the lowest labor costs are VISNs 8 (Bay Pines) and 18 (Phoenix). VISNs 21 and 3 received positive funding adjustments of +\$70 million and +\$53 million, respectively, because of their higher labor costs. VISNs 8 and 18 received negative adjustments of -\$57 million and -\$20 million, respectively, because of their lower labor costs. In FY 2002, the geographic price adjustment was extended to cover all contract costs, both contract labor and non-labor. These contract costs include the cost of utilities.

Additionally, the RAND Corporation is currently evaluating the VERA model and will have a final report this fall. The RAND Study is addressing a quantitative analysis of the following issues: improved case-mix adjustment; geographic differences in prices paid for non-labor inputs and contract labor costs; the impact of teaching and research programs; and, the impact of the facilities' physical plants. The first interim briefing to Congress on the status of the ongoing RAND VERA study, as required by the Senate Appropriations Committee, was provided on March 1, 2002. The next interim briefing to Congress will be provided during July 2002, and a final report will be submitted to Congress in October 2002.

This brings me to GAO's most recent report issued in February this year, which is the subject of this hearing. Before I comment on GAO's specific recommendations, I would like to

commend GAO for the professionalism and thoughtful analyses that characterize this, their third evaluation of the VERA model. GAO's five recommendations were as follows:

1. better align VERA measures of workload with actual workload served regardless of veteran priority group;
2. incorporate more categories into VERA's case-mix adjustment;
3. update VERA's case-mix weights using the best available data on clinical appropriateness and efficiency;
4. determine in the supplemental funding process the extent to which different factors cause networks to need supplemental resources and take action to address limitations in VERA or other factors that may cause budget shortfalls; and
5. establish a mechanism in the National Reserve Fund to partially offset the cost of networks' complex care patients

VHA is currently evaluating proposed changes to the FY 2003 VERA to be responsive to GAO's recommendations. Final decisions will be made by the Secretary. We hope to have final decisions in time to implement for the FY03 allocation by the end of July. Some of the issues being addressed changes being considered are:

- Σ how to address non-service-connected/non-complex care Priority 7 veterans in VERA Basic Vested Care (responds to recommendation 1);
- Σ adjusting the Complex Care and Basic Care price split to reflect actual costs of the two groups (responds to recommendation 3); and
- Σ providing an additional allocation for the very top one percent of the highest cost patients, those whose annual cost exceeds an established threshold \$70,000 (responds to recommendation 5).

I would like to discuss GAO's recommendations.

GAO Recommendation 1 – Better Align VERA Workload Measures

Although inclusion of non-service-connected/non-complex care Priority 7 veterans in the VERA Basic Vested Care category would be a step toward better aligning the VERA allocation model with VA's actual enrollment experience, by including these veterans in the VERA model we would want to avoid creating financial incentives to seek out more of these veterans instead of veterans with service connected disabilities or those with incomes below the current income threshold or special needs patients (e.g., the homeless), veterans who comprise VA's core health care mission. We experienced uncontrolled growth in the Priority 7 veterans when they were not included in the VERA model, and we do not want to encourage unmanageable growth by including them in the VERA model. Allocation of fixed resources is a zero sum

game. Increased resources for Priority 7 veterans would come at the expense of veterans who are service-connected, poor, or who require specialized services. Allocation of resources to areas with a disproportionate percentage of Priority 7 veterans would come at the expense of veterans who live in areas with disproportionately higher numbers of service-connected and lower income veterans. Therefore, we are very carefully weighing how best to address this issue.

GAO Recommendation 3 - Update VERA's Case-mix Weights

GAO has also proposed a change to adjust the price split between Complex Care and Basic Care to reflect the current cost experience between these two groups rather than using a fixed ratio that reflects their FY 1995 relative costs. The Secretary will not approve a change that would create a disincentive for the enrollment and treatment of complex care patients, veterans who need treatment for services such as blind rehabilitation or spinal cord injury.

GAO Recommendation 5 – Establish a Mechanism in the National Reserve Fund

The proposal to provide an additional allocation to networks for the top one percent of the highest cost patients recognizes the impact on those networks with patients whose annual costs exceed an established threshold of \$70,000 (the threshold for the top one percent). These networks would receive an additional allocation equal to the amount that their costs exceeded the \$70,000 threshold. This addresses not only the highest cost Complex Care patients, but also those in the Basic Care group.

GAO Recommendation 2 – More Categories in the VERA Case-mix Adjustment

With regard to recommendation 2, we currently have identified three potential case-mix approaches; however, they affect various networks very differently and we do not yet fully understand these effects. The three potential approaches are:

1. VERA with 44 case-mix categories, as described in the GAO report;
2. VERA with 10 case-mix categories, which is a higher grouping of the 44 case-mix categories; and
3. the Diagnostic Cost Groups (DCGs) with 24 case-mix categories.

Both the first and second approaches contain the foundation building blocks of the current VERA 3 case-mix model. The DCG model is similar to the one used by the Centers for Medicare and Medicaid Services (CMS) for its Medicare + Choice program and is a case-mix model that is based mainly on the diagnosis and demographics of the patient, except in the case of special needs patients, where case-mix is based on utilization factors similar to the VERA model.

While GAO may be correct in recommending more case-mix categories, additional time is needed to evaluate the appropriate method because of the significant differences in allocation results under the three approaches. Therefore, we are considering recommending that

the Secretary delay a final decision until FY 2004. Additionally, we hope that RAND's analysis will provide information on which a more informed decision can be made on model case-mix adjustment.

The attached table shows the estimated impact on all networks of GAO's recommendations in FY 2002 compared to GAO's report estimates for FY 2001.

GAO Recommendation 4 – Supplemental Funding Process

GAO's fourth recommendation indicates a need to determine why some networks need a VERA adjustment or supplemental allocation, identify factors in the allocation model that create a need for these adjustments, or identify the other factors that may contribute to this situation in some networks. Over the six years that the VERA model has been operational, it has been necessary to make supplemental VERA funding adjustments in four of those years. The supplemental adjustments are intended to assist networks that were unable to operate within their initial VERA workload-based allocations and their locally generated revenues from first- and third-party collections and reimbursements.

Prior to FY 2002, requests for supplemental adjustments would be evaluated in various ways before the Under Secretary for Health made a final decision. The process was not complete until about mid way into the fiscal year. In FY 2002, VHA reengineered the supplemental request process to make the determination part of the initial VERA allocation. This was accomplished by developing updated estimates of each network's projected FY 2002 financial status, to include estimates of all resources that would be available to each network and their estimated expenses for the year. The estimate of available resources included funds carried over from the prior year, estimated collections, estimated reimbursements, and the estimated VERA allocation of the medical care appropriation. The estimated expenses were based on the actual expenses of FY 2001, plus approved budget increases for inflation and pay raises, minus a two-percent efficiency target. Based on this analysis, it was determined that five networks should receive an adjustment to their initial VERA allocation. This adjustment was included as part of the initial VERA allocations on December 7, 2001. The table below provides a summary of VERA adjustments from FY 1999 through FY 2002. In FY 2000, VISN 9 repaid their FY 1999 adjustment. In FY 2001, funds were withdrawn from eighteen VISNs to fund the adjustment for four VISNs and a Congressional rescission.

VISN	Name	FY 1999	FY 2000	FY 2001	FY 2002	
8	Bay Pines, FL	\$4.0M				
9	Nashville, TN	\$5.0M*				
3	Bronx, NY		\$66.2M	\$73.8M	\$128.5M	
13	Minneapolis, MN		\$14.7M	\$44.7M	\$43.9M	
14	Lincoln, NE		\$ 9.8M	\$48.3M	\$32.9M	
1	Boston, MA			\$53.2M	\$41.3M	
12	Chicago, IL				\$20.8M	
Total		\$9.0M	\$90.7M	\$220.0M	\$267.4M	
Percent of Total System-Wide Allocation			0.1%	0.5%	1.2%	1.5%

* Advance on FY 2000 allocation paid back in FY 2000

Although we would like to minimize these adjustments by identifying and correcting the causes as GAO recommends, it is also important to evaluate these adjustments in relation to the system-wide impact of the VERA allocation model. The VERA model was used to allocate funds to 22 networks in FY 2002 and required an adjustment of 1.5 percent. It would be unrealistic to expect any model to be 100 percent perfect. However, we need to better understand what is causing certain networks to require adjustments year after year. It is certainly possible that part of the cause may be in the allocation model. However, the difficulty associated with eliminating excess capacity, adjusting the size of the work force, and shifting costly inpatient programs to more efficient health care delivery models in a Federal system may also be contributing factors.

Mr. Chairman, this concludes my statement. I greatly appreciate the opportunity to discuss VHA's progress in improving and refining the VERA methodology. I will be happy to answer any questions the Committee may have.

Robin Higgins
Under Secretary for Memorial Affairs
Memorial Day Address
Calverton National Cemetery, New York
May 27, 2002

Good afternoon, and thank you for that kind introduction.

It is a pleasure for me to be here with you today. Calverton National Cemetery is one of the two busiest national cemeteries in the nation. If it's not the prettiest, I don't know one prettier.

I want to extend my thanks to Patrick Hallinan and the staff here at Calverton, for your hard work and dedication. You are doing a magnificent job caring for the hallowed ground that is Calverton, maintaining this as one of the most dignified cemeteries in the country. Today it shines.

I am honored to be here today to take part in remembering those who have died in service to America.

Long ago, during the Civil War, the cemeteries that were consecrated by the lives lost on battlefields great and small, were also lovingly tended by heart-weary families.

It made no difference whether a soldier died for the Union or the Confederacy—to a mother, a son was a son—and a husband, a husband. Cemeteries in which men of blue and men of gray lay side by side in final peace—the graves were decorated by families sharing in sorrow.

One spring day just like this, in 1868, General John Logan, national commander of the Grand Army of the Republic, witnessed such a scene of loving devotion and was moved to formally honor the fallen soldiers of both armies.

General Logan officially proclaimed May 30 of that year as the national day, "...designated for the purpose of strewing with flowers or otherwise decorating the graves of comrades who died in defense of their country..."

General Logan's famous General Order Number 11, establishing what we now observe as Memorial Day, still stands as one of the finest decrees in tribute to the sacrifices of those who wear our nation's uniform.

His rich and abiding sense of justice in setting out a special day of remembrance says, in part:

"We should guard their graves with sacred vigilance."

"Let no wanton foot tread rudely on such hallowed grounds. Let pleasant paths invite the coming and going of reverent visitors and fond mourners.

Let no vandalism of avarice or neglect, no ravages of time testify to the present or to the

coming generations that we have forgotten as a people the cost of a free and undivided republic.

“Let us, then, at the time appointed, gather around their sacred remains and garland the passionless mounds above them with the choicest flowers of spring-time;

“Let us raise above them the dear old flag they saved from dishonor;

“...let us in this solemn presence renew our pledges to aid and assist those whom they have left among us a sacred charge upon a nation’s gratitude, the soldier’s and sailor’s widow and orphan.”

General Logan’s words echoed those spoken several years earlier by President Lincoln during his second inaugural address in 1865, when he committed America to a promise that stands today as the Department of Veterans Affairs’ sacred mission, “...to care for him who shall have borne the battle and for his widow and his orphan.”

The wars that followed the Civil War called on many of our nation’s sons and also their daughters to pledge their lives to the principles of peace.

Today, too many wars later, we carry on a tradition ennobled by the righteousness of these heroes’ brightest hopes and dreams.

And, over the years Memorial Day has become a day not just to honor those valiant dead from battlefields, but those whose battles lasted long after the wars, and those who served for others so that they may fight.

All who served, all who sacrificed—all who lay here—all who died ... died as heroes. And consider this ...

For each name engraved in granite, there is someone who loved and remembers—there is someone who remembers him or her today.

There is always someone left behind. These people are special too; and they are part of that fabric that weaves us together.

Those who sacrificed their loved ones to our country—they too deserve remembrance befitting their sacrifice.

There are the ongoing sacrifices of those who care for a loved one who was wounded—either in body or in spirit—in the service of their country. A caregiver’s love transcends any impairment.

Then there’s the agony and sacrifice of those who wait. There are those whose sacrifice is of the spirit—as they wait faithfully for their loved one to return.

Those special sacrifices are not far from our thoughts here on Long Island. For we are New Yorkers!

Since last Memorial Day, we have had to bury a number of veterans who were not supposed to die so soon. Veterans who lived through far away battles and returned to their families, some wracked by disease, some only to be torn down by the enemy right here in our home. Eight are buried right here among us.

This year, they joined the noble ranks of those who gave their lives throughout our history and those other loved ones who died this year having lived long lives.

As our friends, family, neighbors still wait for their loved ones lost in the terrible attacks on the World Trade Center, consider that of the nearly 3,000 people killed at the World Trade Center, only a third have been found and identified.

Fewer than 300 of those were found whole. That's how devastating the terror strikes were. They killed. They shredded. They incinerated.

Not since the Civil War have we seen the kind of incomprehensible loss of life here on American soil, as occurred on September 11. The lost are remembered; and their sacrifice honored.

There are so many who have sacrificed in so many ways. Today there are Memorial Day services in 90 of the VA's national cemeteries around the country.

I am proud to represent the VA because, although national cemeteries are my focus, there are thousands of others in the Department of Veterans Affairs who remember the dead on this day and every day by remembering the living.

They are honoring our war dead by providing medical care to more veterans than ever before and continuing to improve the quality of that care.

They are honoring them by providing compensation for disabilities incurred during their service and pensions to, as Lincoln so eloquently put it, "their widows and orphans."

They are honoring them by assisting their comrades' return to civilian life with housing, educational and employment assistance.

And we are honoring them by expanding our national cemetery system to insure that every veteran has the opportunity for interment in a national shrine when his or her time comes. We 1,500 people in the National Cemetery Administration believe every day is Memorial Day.

In closing on this Memorial Day, I return again to our cemeteries in the Civil War. Theodore O'Hara, a nineteenth century soldier who witnessed the anguish and loss of war, was a poet who sought to glorify and redeem the sacrifices of those who fell in battle.

His poem, *Bivouac of the Dead*, became an unofficial anthem of sorts, and was adopted by the United States Army. The Army had iron tablets engraved with the first stanza from the poem.

These tablets were then placed in each of the nation's 60 cemeteries to honor the Civil War dead. As more cemeteries were dedicated, "Bivouac of the Dead" plaques graced their entrances.

Common folklore still says that somewhere in every national cemetery are the words of "Bivouac of the Dead."

But sadly, over time, the tradition of placing these plaques faded, and many simply disappeared. Today, only 16 National Cemeteries retain their original plaques.

So, this year, we've reinstated the tradition. We will be minting and installing these time hallowed words of honor in all 120 of our national cemeteries, and in each of the five new ones we will be opening in the next few years.

Today I am proud to be here to present Calverton's. Here on the easel next to me is a Bivouac of the Dead plaque that now joins this cemetery to all hallowed ground since the Civil War. These are the words that will stand over this, and each, national cemetery:

The muffled drum's sad roll has beat
The soldier's last tattoo;

No more on life's parade shall meet
That brave and fallen few.

On Fame's eternal camping-ground
Their silent tents are spread,

And Glory guards, with solemn round,
The bivouac of the dead.

We will honor those who bivouac here ... those brave men and women ... on days of sadness and days of triumph.

We will stand softly by their graves and consider the sacrifices they offered ... the sacrifices they offered so nobly ... on behalf of a free and grateful nation.

And we will bring our children and our grandchildren, so they too, can learn the lessons of patriotism, commitment to our nation, pride in our heritage and the values embraced by those who rest in honor here.

And in doing so, we will take our place in the long line of Americans who have understood that it is altogether fitting and proper to pay tribute to those who have secured the blessings of liberty and freedom for our nation.

God bless those who served, those who sacrificed, and those who still wait. And God bless those who serve in harm's way today in ramparts around the world, volunteers all, so that we may truly be the land of the free and the home of the brave. Thank you.

Dr. Irene Trowell-Harris, Maj Gen, USAF, Retired
Director, VA Center for Women Veterans
Black History Month Program at the Women in Military Service for America Memorial,
Arlington Cemetery
Arlington, Virginia
February 15, 2002

“Black Women in the United States Uniformed Services”

Gen Vaught, Dr. Williams, honored guests, veterans and military members. It is indeed a pleasure for me to be here this evening. Thank you for inviting me as guest speaker for your Black History Month Program.

I am most impressed with this years' theme, “Remember to Celebrate! Act! A Day On, Not a Day Off” and your topic selection “Black Women in the United States Uniformed Services.” I will discuss two things this evening:

- (1) a little about my personal history and how I arrive at this point in my career as a black female, and
- (2) give you a brief overview of Black women in the Uniformed Services.

From the Revolutionary War to the present - America's women have been invisible heroines. They are true examples for future generations that securing our country's liberty and freedom are everyone's responsibility.

As a Nation, we must pay tribute to American women — our grandmothers, mothers, sisters, aunts and friends, who have served their country through military service — for indeed theirs is a proud and honorable heritage.

Women in the military did not achieve their current status without many struggles, which mirror the role of women in our society.

Now, let me tell you about my career and challenges as a model of a black woman's path to success in the Uniformed Services.

Fasten your seats belts - we are taking off on a flight retracing a bold journey. This journey spans from the cotton fields of South Carolina to an appointment by the White House.

As a young woman, I took an uncharted flight from the cotton fields of South Carolina to the pinnacle of success as a registered nurse, mentor, role model and military officer. This flight made unscheduled stops, ran into turbulence, reached unexpected heights and traveled internationally.

You may ask how this journey got started. Yes, I had a dream and a vision. In a cotton field in South Carolina in the 1950's, I saw an airplane flying over and I said to my 10 sisters and brothers - one day I will fly and work on an airplane - we all laughed - because we knew that was an impossible dream!

Ten years later, I proudly walked upon the stage and accepted my silver flight nurse wings at the Aerospace School of Medicine, Flight Nurse Branch, Brooks AFB, San Antonio, Texas.

This journey was begun when my church and high school united to share their resources with me by providing a scholarship for nursing school. When I graduated I invested in the human potential stock market instead of that sports car, new clothes, and a stereo.

I shared my resources with 10 sisters and brothers to help them get their college degrees or with small business ventures. One went to medical school and became an Air Force Flight Surgeon, another a pilot, others completed degrees in nursing and social science, and three are successful small business owners in Aiken, SC.

Family values, unity and support from the entire community clearly helped to empowered us to become successful. It truly does "take a village."

The Air Force and National Guard helped me realize my dream to fly. Senior leaders mentored me, nurtured me, educated me, and offered me many challenging opportunities.

I served my country as a flight nurse examiner, chief nurse executive, commander, advisor to the Chief, Air Force Nurse Corps, for Readiness and Nursing Services, Office of the Surgeon General, Assistant to the Director, Air National Guard for Human Resources Readiness retiring September 2001 as a major general. I served 38 years, 5 months and 26 days in the military.

My civilian career has been just as full and rewarding. I have served as chief nurse executive, university professor, senior policy specialists and Director, Northeast Region, Office of Healthcare Inspections, Office of Inspector General, Department of Veterans Affairs, Washington, DC and recently appointed by the White House as VA Director for the Center for Women Veterans.

Even though my dream was realized, like many of you in the audience today, I have had my share of challenges, obstacles and disappointments. Just like you, I delivered newspapers and worked in fast food restaurants.

There have been many good times and a few bad times - however, in the bad times I am reminded of Maya Angelou's poem, which inspired new hope in many Americans, she said:

"History, despite its wrenching pain, cannot be unlived; but if faced with courage, need not be lived again."

In spite of numerous roadblocks, my goal was to turn obstacles into steppingstones and move up the career ladder - because I was determined to serve this Nation and be a role model for my family, my community, my state and my country.

Do not allow your past experiences to impede your future dreams, but join the palace of success, not the prison of failure.

Eleanor Roosevelt stated this point succinctly. She said, "The future belongs to those who believe in the beauty of their dreams."

Talk to yourself and say that you are somebody:

- Σ I am somebody - I am an advocate of Justice in Sandra D. O'Connor
- Σ I am somebody - I am the world's greatest golfer in Tiger Woods
- Σ I am somebody - I am Secretary of State Colin Powell
- Σ I am somebody - I am serving my country in the Uniformed Services

Let me tell you what made me successful:

Committing to hard work always striving for excellence. Just getting by is not acceptable.

Taking advantage of every opportunity to learn and to improve myself.

Preparing myself by seeking advance education, challenging projects and visualizing the future, and

Mentoring from several outstanding leaders, civilian and military.

In order to become successful and remain successful - you must remain vigilant and never give up:

If I had given up on my dream to fly, I would not have a star above my wings.

If I had given up when I was told I would not progress beyond the rank of major, I would have 2 stars.

If I had given up when I was denied admission to the first nursing school to which I applied, I would not have a master's degree from Yale and a doctorate from Columbia.

If I had given up on my desired professional goals, I would not have been inducted into the Teachers College, Columbia University Nursing Hall of Fame and into the Yale University Public Service Honor Roll.

I am very proud of my accomplishments, but my greatest treasure in life is mentoring and helping others to reach their potential and goals.

Let's not forget - we are here today because black pioneers chartered the course and made it possible for us to serve in significant roles in the military and civilian arenas.

I simply followed the path of successful pioneers to achieve my goals. You young people out there will extend this path to immeasurable distances because you are destined for even higher roles and greatness!

We must forge a sense of community that surpasses cultural, economic and political

boundaries if we are going to reach our goals and help young people to create and achieve theirs. We need to share our knowledge and expertise to help others achieve their goals.

Now, I would like to transition and give a brief overview of women in the Armed Forces. In the Department of Defense, women comprise 20 percent of the total personnel and (8) percent are black women.

Few people today understand the difficulties faced and personal sacrifices required of servicewomen of past eras who elected to serve their country in a military capacity, especially black women.

For women – the journey continues, even though more 95 percent of all career fields in the armed forces are now open to women.

Despite the barriers that restricted women from enlisting in the Continental Army and local militias during the American Revolution, records show that women did participate in support of American troops.

Since the Revolutionary War (1775-1783), American women have served in this nation's Armed Forces in all major wars. Women of all racial and ethnic backgrounds: Caucasian, African American, Hispanic, Asian Pacific and others.

They were always there serving with honor and distinction when their country needed them.

Lets' take a brief walk through history on African American women in the Armed Forces. There are hundreds of successes, however, I have selected a few individuals to discuss and review progress over the past 2 decades.

American women have made outstanding contributions to this country in various civilian and military roles. While all women share a history of discrimination based on gender, black women have faced a double burden of race and gender in their pursuit of opportunity for service to this nation.

Even though African American women have served with distinction in this country, their contributions have been for the most part either ignored or unappreciated.

There were DoD and societal policy changes that made it possible for black women to join the military.

During the Revolutionary War women were delegated to unpaid support roles. Black women of this era undoubtedly contributed in many roles; however their contributions were rarely noted or documented.

The most famous woman of that time was Phyllis Wheatley, who was sold into slavery in 1761. She used her literary talents to criticize colonial tyranny and was personally recognized by General George Washington.

Another notorious black woman was Harriet Tubman, born a slave in 1823 and led raids by Union soldiers during the Civil War. She was considered the conductor of the Underground Railroad.

During World War I, in 1909, the National Association of Colored Graduate Nurses (NACGN) was founded to work for professional recognition of black nurses. When the war started, Mrs. Ada Thomas, a co-founder of NACGN, encouraged black nurses to enroll in the American Red Cross as part of the war effort, but the Red Cross rejected them.

However, in 1919, when a flu epidemic had stricken an estimated 2 million persons worldwide and a crucial shortage of medical personnel occurred, the Army decided to experiment with black nurses. The Army accepted 18 black nurses; they were housed in segregated quarters, but worked during the day in an integrated environment. Their performance was exemplary and they were praised by the Army and hospital administrators.

World War II created more opportunities for minority women in the military. On June 25, 1941, Executive Order 8802 created the Fair Employment Practices Commission to eradicate racial discrimination in the defense program.

In 1942, when the Women's Army Auxiliary Corps (WAAC), which later became the Women's Army Corps (WAC), was formed, it announced that up to 10% of the corps would accept black women.

During this era, as results of political pressure from the black community, approximately 800 black women from the Army, the Air Force, and the Army Services Forces were organized into the 6888th Central Postal Battalion. Their mission was to establish a central postal directory in Europe.

Charity Adams Early, of Ohio, commanded the 6888th Postal Battalion, the only unit of black women to serve overseas during World War II. They were extremely successful and Early was discharged from the Army as a lieutenant Colonel, the highest rank below the WAC director.

In 1944 the Army dropped the quota on black nurses and the Navy in 1945. At this point blacks enlisted in all services.

In 1948 the Women's Armed Forces Integration Act granted women permanent status in the Regular and Reserve forces of the Army, Navy, Marine Corps as were as the newly created Air Force. However, the act enforced a 2 percent ceiling on the number of women in each of the services.

Passage of the Integration Act meant that all women regardless of race or ethnic background would have the opportunity to serve their country.

In all subsequent wars and crises, thousands of women served their country.

The Vietnam conflict again demonstrated the military establishment's reluctance to

assign military women in-theater, with the exception of nurses. Thousands of nurses served during this era, including black nurses.

Operations Desert Shield and Desert Storm proved the catalyst for changes women needed in the military. In the largest single deployment of women in U.S. military history, with widespread public support, 41,000 military women made up 7 percent of the armed forces in the Persian Gulf.

The Persian Gulf War demonstrated to the American public the capabilities of the country's servicewomen.

Since the Persian Gulf War, military women have served around the globe and in every deployment the U.S. military has undertaken.

Other women that made history and built a bridge for us include, but are not limited to:

Margaret Bailey, Army Nurse Corps, the first black nurse to be promoted to Lieutenant Colonel in 1964, she was subsequently promoted to Colonel in 1970.

Mildred C. Kelly became the first black female to be promoted to E9 (Sergeant Major) in the Army in 1972.

Hazel Johnson Brown who in 1979 became the first black Chief, Army Nurse Corps and the first black to be promoted to brigadier general in the Army.

Brigadier General Clara Adams-Ender became the first Army nurse in history to command a base, which was Fort Belvoir, Virginia. She just published a book in November 2001 entitled, "My Rise to the Stars."

Marcelite Jordan Harris who became the first black woman in the Air Force promoted to the rank of Brigadier General in 1990 and to Major General in 1995. She served as Director of Maintenance and Deputy chief of Logistics at the Pentagon.

The stellar performance of these women stood as a beacon exemplifying the very best talent of this nation.

While we have made monumental advances, there is no time to rest on our laurels. We still have a lot of work to do. However, women are moving up and are continuing to serve with honor and distinction around the world.

In spite of numerous roadblocks, black women have turned obstacles into steppingstones and moved up the career ladder and in non-traditional areas.

They like others should be recognized for their contribution. Not because they are black women, but because they are highly skilled and competent officers, enlisted and civilian professionals.

TO THE WOMEN HERE TO THIS EVENING - I OFFER ADVICE IN FOUR AREAS to help you become successful:

Whether you are beginning your career, advancing your career or looking for a career change.

First, you must take care of yourself and maintain a balance, that is physically, mentally, socially, economically, politically and religiously - and don't forget to pray. My mother always said if you want to be success "stay in church and school."

Second, in order to become successful, you must get a good education. Education was the hope of the past and it is surely the hope for the future.

Third, do your very best in the job that you have. You may not be able to change the world, but you can shine a light where you are!

Fourth, you must visualize the future and dare to be a part of it!

As we move through the 21st century with numerous societal and DoD policy changes - we no longer need to ask the question - where is a woman's place? We know that a woman's place is in THE HOME, THE WHITE HOUSE, THE SENATE, THE CONGRESS, THE EXECUTIVE SUITE, or at the controls of a jet aircraft.

I say that you are obligated to do your best with you God given talents regardless of the place. You must boldly step up to the challenges of the 21st century - because your family, your community and your country need you.

I am indeed very proud of my accomplishments - but I am really happy when I can inspire others to achieve and become successful. If I had a scientific formula I would spray motivation and inspiration in the air for all to breathe.

At this point I would like to highlight to veterans and military members, and especially women to - review your VA benefits and services on our website (www.va.gov/womenvet).

Did you know that there are 160 health, 290 minority, 60 benefits veterans coordinators and 131 managers that work with disabled veterans at VA's 172 medical centers, 130 nursing homes, 620 clinics, 120 cemeteries and 40 dormiciliaries. These benefits include, but are not limited to, health care, disability benefits, burial rights, education, employment, housing, and car and business loans.

Now, I would like to briefly discuss three initiatives that were specifically designed to assist and to recognize military women:

The Defense Advisory Committee on Women in the Services (DACOWITS) was established in 1951 by the Secretary of Defense, George C. Marshall. The purpose of this committee was to provide advice on the utilization of women and quality of life issues impacting the mission readiness of military women.

The Vietnam Women's Memorial in Washington dedicated on November 11, 1993, to honor those who chose to serve during the Vietnam era.

The Women in Military Service for America Memorial was authorized by Congress in 1986. It was dedicated on October 18, 1997 and opened to the public on October 20, 1997. Located at the gate of Arlington Cemetery in our nation's capital, this memorial is designed to recognize all women, officer and enlisted, from all wars.

I have discussed some of my insights on what made me successful and a brief history Black Women in the Armed Forces.

The question is - how can we systematically help the masses of young women in order to inspire them to reach their potential? I don't know the answer; however, we must care about young people because they are our future leaders.

Dr. Martin Luther King said that we must care about each other because:

"We are bound together in an inescapable network of mutuality, tied in a single garment of destiny. Whatever affects one directly affects all indirectly."

In closing, we are all simply working together as a team to build bridges for others to pass over and to add value to America - because we have promises to keep for our family, our community, our state and our country.