



Department of Veterans Affairs

Results Report

Mission

"To care for him who shall have borne the battle and for his widow and his orphan."

-- Abraham Lincoln

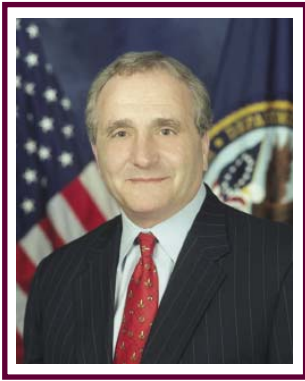
Vision

We will strive to meet the needs of the Nation's veterans and their families today and tomorrow by (1) becoming a more veteran-focused organization, functioning as a single provider of seamless service to the men and women who have served our Nation; (2) cultivating a dedicated VA workforce of highly skilled employees who understand, believe in, and take pride in our vitally important mission; (3) continuously benchmarking the quality and delivery of our service with the best in business and using innovative means and high technology to deliver world-class service; and (4) fostering partnerships with veterans organizations, the Department of Defense and other federal agencies, state and local veterans organizations, and other stakeholders to leverage resources and enhance the quality of services provided to veterans.

Office of the Secretary
Washington, DC 20420

August 2004





SECRETARY'S STATEMENT

This *VA Results Report* highlights the significant accomplishments we have made over the past three years in each of our program areas, as well as the improvements we have made in results-based management. VA worked closely with the President and Congress to increase support for veterans programs. As a result, VA's total spending increased from \$45 billion in FY 2001 to an estimated \$67 billion in FY 2005.

In May 2001, I shared with you our Department's first *VA Strategic Plan for Employees*. The "Employee Plan" highlighted my vision for the future and described the important role that each of you would play in improving the lives of our Nation's veterans. Over the past three years, we set "stretch" goals and developed performance measures to track our achievements over time. We used the President's Management Agenda (PMA) to improve our management processes and enhance your ability to do your job. The PMA addresses human capital, competitive sourcing, financial performance, e-government, budget and performance integration, and VA/DoD coordination. Looking at our accomplishments, I am proud to see the great improvements made that directly benefit the lives of our Nation's veterans and their families, and how we have enhanced the work environment in which each of you fulfills our mission. These accomplishments are in the following areas:

Health Care -- VA provided health care to nearly 3.5 million veterans in 2000 increasing to 4.7 million veterans today. We increased access to health care facilities - 87 percent of VA's patient population now live within 30 minutes of a VA medical facility - while maintaining the highest standards of health care quality. VA has made great strides in reducing waiting times for veterans. The list of veterans waiting more than six months for medical care, has essentially been eliminated. VA also completed a major phase in the ongoing comprehensive Capital Asset Realignment for Enhanced Services (CARES) process to prepare VA facilities to meet veterans' health care needs in the future through a data-driven, system-wide assessment of our infrastructure.

Benefits -- In the benefits arena, VA made great progress the past three years in providing timely and accurate decisions on compensation claims. VA reduced its inventory of rating-related claims and decreased the average processing time for claims. VA also improved the quality of our ratings. We accomplished these improvements at a time when VA experienced an increase in the number and complexity of claims filed by veterans. To address the increased workload, VA trained nearly 1,800 new decision makers.

Memorial Affairs -- VA continues to honor the service and sacrifices of America's veterans in its national cemeteries. VA also worked to preserve our Nation's history, nurture patriotism, and honor veterans and their families by maintaining our national cemeteries as national shrines. The first independent, nationwide review of conditions at VA's national cemeteries, is now being used to make funding decisions and set priorities for making improvements and repairs. VA opened Fort Sill National Cemetery in 2001 near Oklahoma City and started development of eleven new national cemeteries -- representing one of VA's largest expansions in history.

Results-Based Management -- VA has become a more results-oriented Department by establishing four strategic goals. In short, these goals are focused on *Restoring the Physical and Economic Capabilities of Veterans*, *Ensuring a Smooth Transition for Veterans*, *Honoring and Serving Veterans*, and *Contributing to the Public Good* through VA's programs. We also developed an *Enabling Goal* which represents crosscutting activities that enable all organizational units of VA to carry out the Department's mission.

By focusing on implementing these goals and each of the items of the PMA, VA has incorporated the PMA into our own results agenda. VA has made great progress linking our strategic planning, performance management, and budgeting processes. We implemented a monthly performance review that provides a continual review of financial and program performance, workload, major construction, and information technology projects. This process allows us to recognize our progress, and enables us to identify and correct situations where we are not meeting our goals and performance targets.

VA/DoD Partnership -- VA and DoD removed barriers to collaboration, improved access to quality health care, reduced costs associated with the delivery of benefits and health care to both VA and DoD beneficiaries, and institutionalized our partnership. VA and DoD leaders have increased oversight and accountability between the two departments by creating a Joint Executive Council to provide guidance and strategic direction to the Health Executive Council, Benefits Executive Council, and Capital Asset Planning Committee. The Joint Executive Council has articulated a vision for collaboration; established priorities for the partnership; launched processes to reach and implement interagency policy decisions; developed joint operations guidelines; and instituted performance measures to track progress.

This report emphasizes the value of the work of each VA employee across the Nation. It is important that each of us understands how our individual contributions directly support these results. All VA employees played an important role in the results achieved in the past few years. I commend each of you for your dedication and hard work. I am honored to serve as Secretary of Veterans Affairs and remain fully committed to the mission of our Department. I look forward to future success in meeting the needs of veterans and their families.

A handwritten signature in black ink, reading "Anthony J. Principi". The signature is written in a cursive, flowing style.

Anthony J. Principi
Secretary of Veterans Affairs

PRESIDENT'S MANAGEMENT AGENDA

VA made progress in addressing the President's Management Agenda (PMA). The PMA is the Administration's strategy that focuses on improving the management and performance of the overall Federal Government. The PMA contains five government-wide initiatives using a balanced scorecard approach. The PMA also addresses improving cooperation between VA and DoD. VA and OMB use the scorecard to track how well VA and other agencies are executing these initiatives. The chart below illustrates VA's progress toward implementation of the PMA.

	Status	Status	Progress in
	As of December 1, 2001	As of June 30, 2004	Implementing
Human Capital	●	●	●
Competitive Sourcing *	●	●	●
Financial Performance	●	●	●
E-Government	●	●	●
Budget and Performance Integration	●	●	●
Coordination of VA and DoD	●	●	●
Programs and Systems	●	●	●

Explanation of Status Scores

- Agency meets all the Standards for Success.
- Agency has achieved intermediate levels of performance in all the criteria.
- Agency has any one of a number of serious flaws.

Explanation of Progress Scores

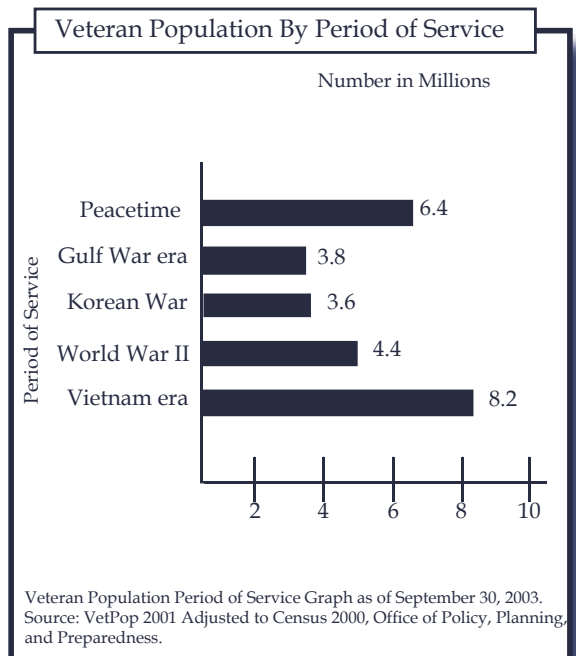
- Implementation is proceeding according to plans agreed upon with agencies.
- Slippage in implementation schedule, quality of deliverables, or other issues require adjustment by agency in order to achieve initiative on a timely basis.
- Initiative is in serious jeopardy. It is unlikely to realize objectives absent significant management intervention.

*VA is currently prohibited from conducting Competitive Sourcing Studies in the health care area due to statutory prohibitions.

WHO WE SERVE

Beginning with our Nation's struggle for freedom more than two centuries ago, approximately 42 million men and women have served their country during wartime periods. Today there are about 25.2 million veterans living in the United States. There are also approximately 40 million family members of living veterans and survivors of deceased veterans. The 8.2 million Vietnam-era veterans account for the largest segment of the veteran population. There are approximately 4.4 million World War II veterans, the second largest segment of the wartime veteran population. About 6.4 million veterans served during peacetime.

The median age of all living veterans is 59 years. Women comprise the fastest growing segment of our Nation's veterans, today numbering nearly 1.7 million. The size of the veteran population will decrease to under 18 million in 2020. However, it is projected that the demand for benefits and services will increase as the veteran population ages.



WHO WE ARE

President Lincoln's simple proclamation *"To care for him who shall have borne the battle and for his widow and his orphan"* is our mission. This mission is driven by this Nation's rich history of respect and care for those who served our Nation in the past, today, and in the future.

By providing world-class benefits and services to veterans in a cost-effective manner, VA fulfills the message spoken by President Lincoln over 100 years ago. To fulfill our important mission, VA's total budget for FY 2004 is approximately \$62 billion. Of that amount, \$31 billion is for benefits programs, \$29 billion provides medical care (including research), and \$2 billion funds burial operations and the administration of memorial benefits.

Today, VA employs more than 220,000 dedicated and professional employees. More than 200,000 employees support VA's health care system, one of the largest in the world. About 13,000 employees provide benefits to veterans and their families, and over 1,400 employees provide burial and memorial benefits for veterans and their eligible spouses and children. Women represent 57 percent and minority groups 36 percent of our workforce, and we are working to ensure that they are represented at all levels of the organization. VA is a leader in hiring veterans, enhancing our ability to understand and meet veterans' needs.

VA has facilities in all 50 states, the District of Columbia, and some U.S. territories. We deliver services to veterans through our extensive network of nationwide facilities.

HEALTH CARE PROGRAMS

BASIC HEALTH CARE – VA provides high quality, reliable, accessible, timely and efficient health care that maximizes the health and functional status for all enrolled veterans, with special focus on veterans with service-connected conditions, those unable to defray the cost, and those statutorily eligible for care.

- The U.S. Department of Veterans Affairs is our Nation's largest health care provider. Our 158 hospitals; 858 community, hospital and independent clinics; 206 readjustment counseling centers; and 42 residential rehabilitation transition programs provide world-class care.
- The number of veterans treated increased from nearly 3.5 million veterans in 2000 to 4.7 million in 2004.
- VA has significantly reduced the time veterans wait for appointments. The list of veterans waiting more than six months for medical care, which peaked at 300,000, has essentially been eliminated. The percent of primary care appointments scheduled within 30 days of the desired date increased from 87 percent in FY 2001 to 95 percent in 2004. The percent of specialist appointments scheduled within 30 days of the desired date increased from 84 percent in FY 2001 to 94 percent in 2004.
- VA scored higher than non-VA hospitals in Joint Commission on Accreditation of Healthcare Organizations quality surveys (93 to 91), and became a leader in customer satisfaction, as shown by our benchmark-level scores on the American Customer Satisfaction Index. We increased the percent of patients rating VA health care service as very good or excellent for inpatient care from 64 percent in FY 2001 to 74 percent in 2004 and from 65 percent in FY 2001 to 73 percent in FY 2004 for outpatient care.
- VA is implementing efforts to meet veterans' health care needs in the future through a data-driven, system-wide assessment of our infrastructure -- Capital Asset Realignment for Enhanced Services (CARES). The approved plan will result in improved access to VA facilities for veterans, modernization and renovation of facilities, reduced long-term operating costs, reduction of 3.6 million square feet of vacant space at VA health care facilities, creation of two new hospitals and a replacement hospital, and 156 additional high-priority Community-Based Outpatient Clinics.
- Our new care coordination program combines home-based care with the latest medical technology allowing some veterans to electronically send daily updates on their health status to VA professional care givers from the comfort of their own homes.
- Patients can access their medical records through a secure online connection with our MyHealthVet program and will soon be able to electronically reorder medications and schedule appointments.
- We have successfully implemented an electronic medical records system that allows our health care professionals to maintain current data on patients and share this information with other health care providers.
- We exceeded the best-reported national performance data on all indicators of health care quality, such as cholesterol screening, and were recognized by the Institute of Medicine for leadership in clinical performance improvement, quality measurement, our computerized patient record system and patient safety.
- VA increased scores on the Prevention Index II from 80 percent in FY 2001 to 88 percent in March 2004 and as of March 2004 VA's performance on the Clinical Practice Guidelines Index was 77 percent.

- VA improved cooperation between VA and DoD by developing joint clinical practice guidelines and interoperable electronic health record systems.
- VA implemented a comprehensive plan to improve cardiac care following the receipt of a study by Harvard Medical School that indicated VA's level of care in this area needed improvement.
- VA received an "Innovations in American Government" award from the Ford Foundation and Harvard University for a program to reduce adverse medical events and develop a culture of safety.
- VA's Consolidated Mail Outpatient Pharmacies (CMOP) have continued their success. Extraordinary efforts by VA employees kept the CMOP distribution going without major interruption following the 9/11 attacks when air transportation was out of service. In 2003, VA dispensed almost 47 million pharmaceuticals in our healthcare facilities and filled over 153 million prescriptions through our CMOPs.
- VA increased the number of veterans receiving non-institutional long-term care from 17,465 in FY 2001 to 24,413 in FY 2003.
- VA established six new centers specializing in research, education and clinical care for Parkinson's disease, and two new centers specializing in studying the treatment of war-related illnesses among military patients and veterans.



- We launched a \$35 million program in collaboration with HUD and HHS to provide permanent housing, health care and other supportive services to those experiencing chronic or long-term homelessness.

SEAMLESS TRANSITION - VA eases the reentry of new veterans into civilian life by increasing awareness of, access to, and use of VA health care, benefits and services.

SPECIAL HEALTH CARE PROGRAMS - We strive to maximize the physical, mental, and social functioning of veterans with disabilities and be recognized as a leader in the provision of specialized health care services.

- VA established priority access to health care for veterans with service-connected disabilities.
- VA worked with DoD to ensure that veterans or servicemembers returning from Iraq and Afghanistan with an injury or illness have timely access to VA's special health care services. This includes treatment for spinal cord injuries, traumatic brain injuries, post traumatic stress disorder, prosthetics, and rehabilitation of the blind.
- VA established clear policies for addressing the needs of returning servicemembers. Every Iraqi Freedom and Enduring Freedom veteran - regular, reserve, or National Guard - who serves on active duty in a theater of combat operations is eligible for hospital care, medical services, and nursing home care necessitated by, or possibly linked to, their military service. Care may be provided at no cost for a period of two years beginning on the date of discharge or release from the military.
- VA and DoD are adopting common standards for electronic health records. In May 2004, 100 percent of VA Hospitals were provided electronic access to health information by DoD for separated servicemembers. Today, DoD sends us patient data on lab results, radiology reports,

outpatient pharmacy information and patient demographics.

- VA and DoD are making great progress on a health data repository architecture that is interconnecting VA and DoD's medical information systems.
- VA and DoD now have numerous agreements on sharing health care services, information management and technology, clinical practice guidelines for disease management, medical and surgical supplies, reporting systems for patient safety, and joint facility and resource sharing.

MEDICAL RESEARCH AND DEVELOPMENT – VA advances medical research and development programs that address veterans' needs, with an emphasis on service-connected injuries and illnesses, and contributes to the Nation's knowledge of disease and disability.

- A new technology transfer program will disseminate new discoveries and inventions made by VA researchers to improve health care for veterans and non-veterans. We developed an inter-institutional agreement giving universities unimpeded access and authority to patent and market intellectual property on our behalf as well as theirs.
- VA supported research throughout the Nation is unlocking the secrets of the aging process, sharing knowledge with other health care providers, and improving the quality of care every elderly veteran receives. Our 21 geriatric research centers are at the forefront of the fields of gerontology and geriatrics, applying basic research to clinical programs.

MEDICAL EDUCATION – We sustain partnerships with the academic community that enhance the quality of care to veterans and provide high quality educational experiences for health care trainees.



- We partner with 107 medical schools and 1,500 other health professional training programs ensuring that we bring state-of-the-art thinking to patient care. Sixty percent of all health professionals, and 70 percent of physicians receive some portion of their training in VA.
- In 2004, 83 percent of medical residents and other trainees rated the value of their VA clinical training experience as satisfactory or higher.

BENEFITS PROGRAMS

DISABILITY COMPENSATION – VA provides timely and accurate decisions on disability compensation claims to improve the economic status and quality of life of service-disabled veterans.

- In FY 2003, VA made over 827,000 decisions on disability claims. Compensation and pension payments last year totaled nearly \$26.4 billion.
- VA reduced its inventory of disability claims that required a rating from a high of 432,000 in 2001 to slightly over our goal of 250,000. However, a September 2003 decision by the Federal Circuit Court in PVA, et. al., v. Secretary of Veterans Affairs made our endeavor more difficult. This decision held that denial of a claim is premature before the expiration of the one-year period established by the Veterans Claims Assistance Act of 2000 but has since been reversed in law. We are working hard to recover from this setback and are now on track towards attaining our goal. Overall, we have reduced our average processing time on disability claims from 230 days in FY 2002 to 163 days in May 2004.
- We established a Tiger Team to adjudicate the inventory of claims from veterans over 70 years old who have been waiting more than one year for resolution of their claims. To date, the Tiger Team has processed over 44,000 claims and the number of claims in our inventory from veterans over 70 years old who waited more than one year has gone from 13,800 to 2,777.
- The percentage of claims in our inventory that had been pending more than 6 months was reduced from 48 percent in 2002 to 18 percent at the end of FY 2003.
- The average age of the claims in our pending inventory was reduced from 203 days in January 2002 to 111 days in September 2003.

- Our output of claims decisions increased from an average of 40,000 in 2001 to an average of 69,000 per month in 2003.

VOCATIONAL REHABILITATION

AND EMPLOYMENT - VA provides all service-disabled veterans with the opportunity to become employable and obtain and maintain suitable employment, while providing special support to veterans with serious employment handicaps.

- Nearly 65,000 disabled veterans applied for vocational rehabilitation and employment benefits last year, of which almost 37,000 were found to be entitled. Over 55,000 disabled veterans participated in a VA rehabilitation program during FY 2003 and another 15,000 were in the evaluation and planning stages of their program at year's end. Approximately 9,600 disabled veterans were successfully rehabilitated in FY 2003.
- The Secretary's VR&E Task Force completed an independent evaluation of the VR&E Program and made recommendations for improvements. Actions completed include:
 - Reorganizing Headquarters staff.
 - Strengthening partnerships with VHA, Department of Labor, Council of State Administrators of Vocational Rehabilitation, and Commission of Accreditation of Rehabilitation Facilities.

DEPENDENCY AND INDEMNITY COMPENSATION –

We seek to improve the standard of living and income status of eligible survivors of service-disabled veterans through compensation, education, and insurance benefits.

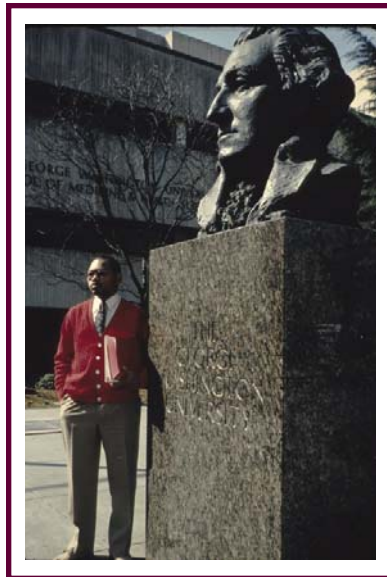
- VA completed evaluations of both the DIC and parents' DIC programs, which provided useful information and recommendations to ensure that the needs of survivors are being met.

SEAMLESS TRANSITION – VA eases the reentry of new veterans into civilian life by increasing awareness of, access to, and use of VA health care, benefits and services.

- VA conducted Benefits Delivery at Discharge (BDD) Programs at 139 sites to help servicemembers transition to civilian life and ensure continuity of care to those retiring or being medically separated from military service. Over 50 percent of separating servicemembers who file a claim within the first year following discharge now use the BDD program.
- Since October 2002, VA military services coordinators have conducted nearly 10,000 Transition Assistance Program and Military Services Briefings attended by 280,000 active duty personnel and their families residing in the United States. We also conducted about 800 briefings attended by over 20,000 servicemembers based overseas.
- From October 2003 through May 2004, VA representatives conducted over 900 pre- and post-deployment briefings attended by more than 70,000 Reserve/Guard members. Returning members can also elect to attend the formal three day Transition Assistance Program workshops.
- As of June 2004, over 2,700 hospitalized returning servicemembers have been provided information and assistance at Walter Reed Army Medical Center in Washington, DC; and the Bethesda Naval Medical Center in Maryland; and other facilities.
- Through the Seamless Transition Task Force, VA has worked closely with DOD to ensure that earned services are provided expeditiously to veterans returning from Operation Iraqi Freedom and Operation Enduring Freedom. VA has accelerated initiatives to streamline interagency activities to facilitate the seamless transition

of service members to veteran status and ensure continuity of care is maintained for those individuals whose medical care is transferred from the Military Health Care System to the VA Health Care System.

EDUCATION PROGRAMS - VA provides timely and accurate decisions on education claims and payments at appropriate levels to enhance veterans' and servicemembers' ability to achieve educational and career goals.



- Monthly benefits for veterans increased under the Montgomery GI Bill from \$672 per month in October 2001 to \$1004 per month in October 2004.

- VA added 111,000 new trainees last year and served a total of 473,000 participants through our educational programs. Annual payments totaled \$2.1 billion. We served 16 percent more trainees in FY 2003 than in FY 2001. Through the first

two quarters of FY 2004, the number of active trainees is up an additional 4.7 percent.

- Over the last two fiscal years, the average processing time for education benefits was reduced from 43 days to 23 days for first enrollment and 24 days to 12 days for reenrollment.
- Surveys found that in 2003, 89 percent of claimants surveyed were very or somewhat satisfied with the way VA handled their education claims. In 1998, 78 percent were very or somewhat satisfied.

HOME LOANS - We seek to improve the ability of veterans to purchase and retain a home by meeting or exceeding lending industry standards for quality, timeliness, and foreclosure avoidance.

- Last year, VA guaranteed approximately 490,000 home loans worth over \$63 billion. From the beginning of this fiscal year through May 2004, 253,467 loans totaling \$32.9 billion, have been guaranteed.
- Specially Adapted Housing Grants totaling \$20 million were provided to about 500 severely disabled veterans in FY 2003.
- Surveys found that 95 percent of veterans were very or somewhat satisfied with the VA Home Loan Guaranty Process.
- We improved the foreclosure avoidance ratio for veterans through VA financial advice and assistance from 40 percent in 2001 to 42.2 percent in May 2004.

PENSION - VA processes pension claims in a timely and accurate manner to provide eligible veterans and their survivors a level of income that raises their standard of living and sense of dignity.

- VA consolidated annual maintenance functions for the Pension and Parents' DIC programs to Philadelphia, Milwaukee, and St. Paul to improve processing times, reduce overpayments, improve quality, and decrease program administrative costs.
- We successfully reduced the average number of days to process pension rating-related actions to 99.2 days through May 2004.

INSURANCE - VA maintains a high level of service to insurance policy holders and their beneficiaries to enhance the financial security for veterans' families.

- All Servicemembers Group Life Insurance claims arising from Operation Enduring Freedom and Operation Iraqi Freedom are paid within two days of receipt of necessary documents.
- Special outreach to recently separated severely disabled veterans resulted in \$83.5 million in life insurance coverage that would not otherwise have been issued.
- The maximum benefit amount of Servicemembers' Group Life Insurance increased from \$200,000 to \$250,000.

SOCIOECONOMIC BENEFITS FOR THE NATION - We seek to enhance the socioeconomic well-being of veterans, and thereby the Nation and local communities, through veterans' benefits, assistance programs for small, disadvantaged and veteran-owned businesses, and other community initiatives.

- VA enhanced minority veteran entrepreneurship through three economic/business training summits in key geographic locations around the country.
- In 2003, 31.65 percent of VA procurement dollars was awarded to small business.

MEMORIAL AFFAIRS PROGRAMS

BURIAL NEEDS - VA ensures that the burial needs of veterans and eligible family members are met.

- VA increased the percent of veterans served by a burial option within 75 miles of their residence from 72.6 percent in FY 2001 to 75.3 percent in 2004.
- VA started development of eleven new national cemeteries to serve veterans in the areas of Atlanta, GA; Detroit, MI; Pittsburgh, PA; South Florida; Sacramento, CA; Bakersfield, CA; Birmingham, AL; Columbia/Greenville, SC; Jacksonville, FL; Sarasota, FL; and Southeastern Pennsylvania.
- VA opened Fort Sill National Cemetery in 2001 to provide a burial option to veterans in the Oklahoma City area.
- In 2003, VA interred nearly 90,000 veterans and eligible family members in 120 VA national cemeteries.
- Surveys found that in 2003, 94 percent of respondents rated the quality of service provided by VA national cemeteries as excellent.

SYMBOLIC EXPRESSIONS OF REMEMBRANCE - VA provides veterans and their families with timely and accurate symbolic expressions of remembrance.

- By May 2004, 85 percent of graves in national cemeteries were marked within the goal of 60 days from interment, an increase from 49 percent in 2002.
- In 2003, VA processed more than 300,000 applications for headstones and markers to mark the graves of eligible persons in national, state, other public, and private cemeteries throughout the world.

- In 2003, VA also provided 255,000 Presidential Memorial Certificates to families recognizing the contributions and service of honorably discharged deceased veterans.

NATIONAL SHRINE COMMITMENT - VA ensures that national cemeteries are maintained as shrines dedicated to preserving our Nation's history, nurturing patriotism, and honoring the service and sacrifice veterans have made.

- VA maintained more than 2.6 million gravesites in about 7,000 developed acres in VA national cemeteries.
- VA launched a Web-based Nationwide Gravesite Locator system to make it easier for anyone with Internet access to search for gravesite locations and to conduct genealogical research. The site has had 770,000 hits since it became available in April 2004.
- Surveys in 2003 found that 97 percent rated the appearance of national cemeteries as excellent.



VA'S ENABLING GOAL

DELIVERING WORLD-CLASS SERVICE TO VETERANS AND THEIR FAMILIES BY APPLYING SOUND BUSINESS PRINCIPLES THAT RESULT IN EFFECTIVE MANAGEMENT OF PEOPLE, COMMUNICATIONS, TECHNOLOGY, AND GOVERNANCE.

WORKFORCE AND HUMAN CAPITAL MANAGEMENT - We strive to recruit, develop, and retain a competent, committed, and diverse workforce that provides high quality service to veterans and their families

- VA developed the Strategic Human Capital Management Plan which includes an overview of past and projected workforce trends, summaries of workforce plans, and strategies to ensure that VA recruits, retains, and develops a quality and diverse workforce to serve veterans.
- VA is increasing internal and external recruitment and retention programs that are focused on the employment and advancement of women, minorities, and people with disabilities based on the Secretary's recent Task Force Report.
- VA converted to use of OPM's Employee Express System for employee self-service transactions, saving the Department approximately \$2 million annually.
- VA instituted the One VA Senior Executive Service Candidate Development Program to develop future candidates within VA.
- We redesigned the VA Job Opportunities Website. Website visits increased from 50,000 in November 2002 to over 100,000 in May 2004.

COMMUNICATIONS - VA strives to continuously improve communications with veterans, employees, and stakeholders about the Department's

mission, goals, and current performance and of the benefits and services VA provides.

- VA conducted an outreach to all former POWs not currently using VA benefits to inform them of benefits and services that they may be entitled to receive.
- We launched a Website to provide Gulf-War related medical research information to veterans and their families.
- VA developed the Website <http://www.va.gov/womenvet> to disseminate information about VA programs, benefits and services for women veterans.

INFORMATION TECHNOLOGY - VA seeks to implement a One VA information technology framework that supports the integration of information across business lines and that provides a source of consistent, reliable, accurate, and secure information to veterans and their families, employees, and stakeholders.

- We upgraded our legacy VistA health care software system to a modernized program called HealthVet VistA which enhances the services delivery capabilities to share patient health record data with DoD's Health Services Division.
- VA created HealthPeople as a strategy to work with other Federal agencies and with other public and private sector organizations, including the joint VA/DoD Electronic Health Record System Interoperability Plan.

GOVERNANCE - We strive to improve the overall governance and performance of VA by applying sound business principles, ensuring accountability, and enhancing our management of resources through improved capital asset management; acquisition and competitive sourcing; and linking strategic planning, budgeting, and performance.

- VA created a new management structure and a monthly performance review to strengthen management of the Department.
- VA's audit recovery program was highlighted by GAO as an effective financial management practice and a best practice. VA recovered over \$9.6 million in duplicate and erroneous payments.
- VA successfully completed a competitive sourcing study of the operations and management of our Property Management Services, which involved approximately 270 FTE. The decision to outsource this function is projected to save VA \$47 million over 4.5 years or \$10.5 million year.
- VA increased the total medical care collections in each of the last three fiscal years from \$768 million in 2001 to \$1.457 billion in 2003.
- VA developed a new actuarial model that provides more accurate, comprehensive, and accessible estimates of the veteran population through the year 2029.
- VA began using our new Capital Asset Management System to manage VA's portfolio of capital assets, including buildings, land, leases, agreements, equipment and information technology.
- In 2004, VA produced its first five-year capital plan, which is a systematic and comprehensive framework for managing the Department's portfolio of more than 5,500 buildings and approximately 32,000 acres of land. This plan provides the necessary framework and is a sound blueprint for effective management of the Department's capital investments that will lead to improved resource use and more effective health care and benefits delivery for our Nation's veterans.



- Through the VA/DoD Council, the Departments have achieved success in improving cooperation in key areas such as information management/information technology, financial management, joint facility utilization, capital asset planning, pharmacy, medical-surgical supplies, procurement, patient safety, deployment health, clinical guidelines, geriatric care, contingency planning, medical education and benefits delivery. Local and regional cooperation has increased due to innovative projects that extend resources and increase operational readiness through shared staffing, services, and facilities.

Department of Veterans Affairs
Office of Policy, Planning, and Preparedness
810 Vermont Avenue, NW
Washington, DC 20420