

Secretary's Statement



Support for veterans and their families has been a national concern and priority throughout the history of our great Nation. Today, the Department of Veterans Affairs (VA) provides a wide range of health care services, benefits, and memorial services to veterans and their eligible survivors and dependents. This strategic planning document was specifically designed for VA employees to help each of you better understand the current and future priorities for our Department and to see how you directly contribute to our mission. Our strategic plan centers around four strategic goals and an enabling goal reflecting the combined efforts of all VA organizations to provide benefits and services to improve the lives of veterans and their families. Each goal is supported by outcome-oriented objectives that reflect my highest priorities. We use a variety of measures to assess our performance and results and have included a subset of these measures in this document to help employees focus on the role you play in achieving outcomes and improving our operations. These measures address the tangible results and value to veterans and their families from the benefits and services VA provides.

Together, we must work diligently to implement each of the goals and objectives in a manner reflecting our commitment to excellence. Let me remind you of the words of my great predecessor, General Omar Bradley: "We are dealing with veterans, not procedures: with their problems, not ours." As our Nation proceeds with the war on terrorism, I place tremendous importance on meeting our obligations to veterans returning from combat or military operations. It will be difficult for any VA employee to be overzealous in serving the casualties of the war in which we are now engaged. Conversely, we will have failed to meet our very reason to exist as a Department if a veteran is poorly served – or because we are acting in a routine, "business as usual" manner. I expect my fellow VA employees to embody America's commitment to those who serve our Nation in uniform, to be men and women of principle, vision, and moral courage; to have the highest ethical standards; to believe that compassion is not about the amount of money we spend but the results we achieve and the lives we affect; to understand that responsibility and accountability – qualities I believe are essential to leadership – are inextricably interwoven.

Each of us works for VA because we believe in our important mission to care for veterans and the men and women who serve in our armed forces. Our Nation's veterans did what was required of them, and some have paid a heavy price to meet their commitment to our Nation. It is now our turn to step up to the plate and do what must be done to honor our commitment, and President Lincoln's promise, to these heroes. I urge you to become familiar with the VA Strategic Plan and to discuss it with other employees and stakeholders. It is important that each of us understand how our individual contributions directly support the goals and objectives of our Department, and influence the lives of veterans and their families across the Nation. In my heart, I know I can count on each one of you to do your best.

Anthony J. Principi
Secretary of Veterans Affairs

VA will restore the capability of veterans with disabilities by maximizing the ability of these veterans, including special veteran populations, and their dependents and survivors to become, to the degree possible, full and productive members of society through a system of health care, compensation, vocational rehabilitation, Dependency and Indemnity Compensation (DIC), and dependents and survivors education.

Goal 1 – Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.

OBJECTIVE 1.1 -- *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.*

Performance Targets**

FY 2004	FY 2008
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- Coordinate with DoD to ensure that veterans or service members returning from a combat zone with an injury or illness have timely access to VA's special health care services

*	100%
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- Maintain the proportion of Spinal Cord Injury patients who are discharged from institutional settings

95%	95%
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OBJECTIVE 1.2 -- *Provide timely and accurate decisions on disability compensation claims to improve the economic status and quality of life of service-disabled veterans.*

- Improve the national accuracy rate (core rating work)
- Reduce the average number of days to process rating-related actions
- Reduce the appeals resolution time (average days/case)
- Increase overall customer satisfaction
- Increase the percent of veterans in receipt of compensation whose total income exceeds that of like-circumstanced, non-disabled veterans and like-circumstanced non-veterans

88%	98%
153	90
520	365
70%	90%
/	50%/50%

OBJECTIVE 1.3 -- *Provide 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.*

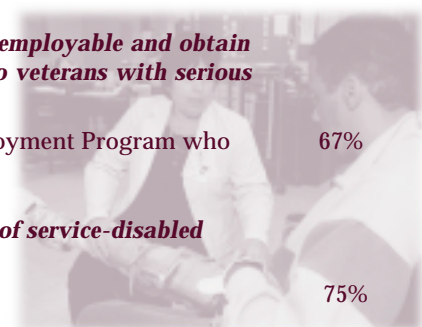
- Increase the percent of veterans exiting the Vocational Rehabilitation and Employment Program who obtain and maintain suitable employment

67%	70%
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OBJECTIVE 1.4 -- *Improve the standard of living and income status of eligible survivors of service-disabled veterans through compensation, education, and insurance benefits.*

- Increase the percent of DIC recipients who are above the poverty level

75%	100%
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Veterans will be fully reintegrated into their communities with minimum disruption to their lives through health care, readjustment counseling, employment services, vocational rehabilitation, education assistance, and home loan guarantees.

Goal 2 – Ensure a smooth transition for veterans from active military service to civilian life.

OBJECTIVE 2.1 -- *Ease the reentry of new veterans into civilian life by increasing awareness of, access to, and use of VA health care, benefits and services.*

Performance Targets**
FY 2004 **FY 2008**

• Provide timely and compassionate health care to servicemembers or veterans returning from combat operations	*	100%
• Improve coordination and education of staff in all VA facilities regarding returning servicemembers by ensuring that they maintain knowledgeable points of contact, case managers, and prominently display materials to identify staff who can provide assistance	100%	100%
• Increase the percent of veterans who participate in benefits briefings prior to discharge	*	85%
• Increase the percentage of VA Hospitals that provide electronic access to health information provided by DoD on separated servicemembers	90%	100%

OBJECTIVE 2.2 -- *Provide timely and accurate decisions on education claims and continue payments at appropriate levels to enhance veterans' and servicemembers' ability to achieve educational and career goals.*

• Reduce the number of days to process original education claims	27	10
• Increase the percent of participants who believe their educational and/or career goals have been enhanced as a result of the program	*	75%

OBJECTIVE 2.3 -- *Improve the ability of veterans to purchase and retain a home by meeting or exceeding lending industry standards for quality, timeliness, and foreclosure avoidance.*

• Improve foreclosure avoidance ratio for veterans through VA financial advice and assistance	45%	47%
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Veterans will have dignity in their lives, especially in time of need, through the provision of health care, pension programs and life insurance and the Nation will memorialize them in death for the sacrifices they have made for their country. VA will achieve this goal by improving the overall health and providing a continuum of health care for all enrolled veterans and eligible family members, and providing veterans and their families with timely and accurate symbolic expressions of remembrance.

Goal 3 – Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.

OBJECTIVE 3.1 -- *Provide 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.*

Performance Targets**
FY 2004 **FY 2008**

• Increase the percent of patients rating VA health care service as very good or excellent (Inpatient/Outpatient)	68%/70%	72%/72%
• Increase the percent of primary care appointments scheduled within 30 days of the desired date	93%	90%
• Increase the percent of specialist appointments scheduled within 30 days of the desired date	90%	90%
• Improve performance on the Clinical Practice Guidelines Index	78%	82%
• Increase scores on the Prevention Index II	80%	85%
• Increase the number of veterans receiving non-institutional long-term care	32,694	42,600

OBJECTIVE 3.2 -- *Process 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.*

• Reduce the average number of days to process pension rating-related actions	91	78
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OBJECTIVE 3.3 -- *Maintain a high level of service to insurance policy holders and their beneficiaries to enhance the financial security for veterans' families.*

• Maintain the average number of days to process insurance disbursements	2.7	2.7
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OBJECTIVE 3.4 -- *Ensure that the burial needs of veterans and eligible family members are met.*

• Increase the percent of veterans served by a burial option within 75 miles of their residence	82%	85%
• Increase the percent of respondents who rate service provided by the national cemeteries as excellent	97%	100%

OBJECTIVE 3.5 -- *Provide veterans and their families with timely and accurate symbolic expressions of remembrance.*

• Increase the percent of graves in national cemeteries marked within 60 days of interment	70%	90%
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* DENOTES THAT THE BASELINE AND MEASUREMENT SYSTEMS ARE CURRENTLY BEING DEVELOPED, AND THE **FY 2008** PERFORMANCE TARGET MAY BE MODIFIED BASED ON THE DETERMINATION OF THE BASELINE DATA.

** THE PERFORMANCE MEASURES AND TARGETS LISTED ARE NOT A COMPLETE LIST OF VA'S MEASURES AND NOT ALL OF THE PERFORMANCE MEASURES LISTED ARE IN THE **FY 2004 VA ANNUAL PERFORMANCE PLAN**. THEY INCLUDE SOME "KEY MEASURES" AND OTHERS THAT ARE REPRESENTATIVE OF THE MORE COMPLETE LIST INCLUDED IN THE **VA STRATEGIC PLAN 2003-2008** AND THE **FY 2004 VA ANNUAL PERFORMANCE PLAN**, BOTH OF WHICH CAN BE FOUND AT WWW.VA.GOV

VA will support the public health of the Nation as a whole through medical research, medical education and training, and serving as a resource in the event of a national emergency or natural disaster. VA will support the socioeconomic well-being of the Nation through the provision of education, vocational rehabilitation, and home loan programs. VA will also preserve the memory and sense of patriotism of the Nation by maintaining our national cemeteries as national shrines and hosting patriotic and commemorative ceremonies and events.

Goal 4 – Contribute to the public health, emergency management, socioeconomic well-being, and history of the Nation.

OBJECTIVE 4.1 -- Improve the Nation's preparedness for response to war, terrorism, national emergencies, and natural disasters by developing plans and taking actions to ensure continued provision of services to veterans as well as support to national, state, and local emergency management and homeland security efforts.

- Increase the percent of group/emergency preparedness officials who receive focused training or participate in exercises relevant to VA's Continuity of Operations Plan.

Performance Targets**
FY 2004 **FY 2008**

95% 100%

OBJECTIVE 4.2 -- Advance VA medical research and development programs that address veterans' needs, with an emphasis on service-connected injuries and illnesses, and contribute to the Nation's knowledge of disease and disability.

- Maintain the percent of research projects devoted to the veteran-related Designated Research Areas

99% 99%

OBJECTIVE 4.3 -- Sustain partnerships with the academic community that enhance the quality of care to veterans and provide high quality educational experiences for health care trainees.

- Increase medical residents and other trainees' scores on a VA survey assessing the value of their clinical training experience

82 85

OBJECTIVE 4.4 -- 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.

- Increase the percent of procurement for the Department from small business

23% 23%

OBJECTIVE 4.5 -- Ensure 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.

- Increase the percent of respondents who rate national cemetery appearance as excellent

98% 100%

VA's enabling goal is different from the four strategic goals. The enabling goal and its corresponding objectives represent crosscutting activities that enable all organizational units of VA to carry out the Department's mission. VA's functions and activities focus on enhancing the workforce assets and internal processes, improving communications, and furthering a crosscutting approach to providing seamless service to veterans and their families through an improved governance structure that applies sound business principles.

Enabling Goal – Deliver world-class service to veterans and their families by applying sound business principles that result in effective management of people, communications, technology, and governance.

OBJECTIVE E-1 -- Recruit, develop, and retain a competent, committed, and diverse workforce that provides high quality service to veterans and their families

Performance Targets**
FY 2004 **FY 2008**

- Increase the percent of employees who respond favorably when surveyed about their job satisfaction

65% 75%

OBJECTIVE E-2 -- Improve communications with veterans, employees, and stakeholders about the Department's mission, goals, and current performance and of the benefits and services VA provides.

- Increase the percent of VA employees who indicate they understand VA's strategic goals
- Percentage increase in the number of veterans who believe they understand their VA benefits

80% 90%
 5% 10%

OBJECTIVE E-3 -- 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.

- Increase the number of business lines transformed to achieve a secure veteran-centric delivery process

2 8

OBJECTIVE E-4 -- 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 planning.

- Increase the dollar value, usage, and/or cost savings through joint contracting with DoD for pharmaceuticals

\$561 M \$650 M

WHO WE SERVE

Our Continuous Focus on Our Nation's Veterans



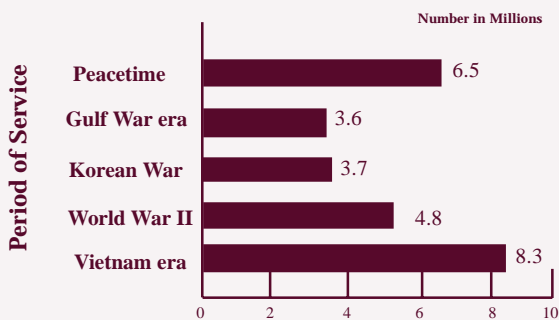
Beginning with our Nation's struggle for freedom more than two centuries ago, approximately 42 million men and women have served their country during wartime periods. Today there are about 25.6 million veterans living in the United States and the Commonwealth of Puerto Rico; over 19 million (75 percent) of these veterans served during at least one wartime period. There are also approximately 45 million family members of living veterans and survivors of deceased veterans. The 8.3 million Vietnam-era veterans account for the largest segment of the veteran population. There are approximately 4.8 million World War II veterans, the second largest segment of the wartime veteran population. Two other major conflicts and the Gulf War contributed to the total United States wartime veterans. In

2002, there were about 3.7 million living Korean Conflict veterans, Gulf War Era veterans numbered about 3.6 million and there were approximately 500 living World War I veterans. About 6.5 million of the veteran population served only during peacetime.

As of September 2002, the median age of all living veterans was 58 years. Veterans under 45 years of age constituted 21 percent of the total veterans population; veterans 45 to 64 years old, 40 percent; veterans 65 to 84 years old, 36 percent; and veterans 85 years old and older, 3 percent. The number of veterans 85 years of age and older totaled nearly 672,000. In April 1990, there were only 164,000 veterans in this age range. This large increase in the oldest segment of the veteran population has had significant ramifications for the demand for health care services, particularly in the area of long-term care. Women comprise the fastest growing segment of our Nation's veterans. Today there are nearly 1.7 million women veterans.

VA's actuarial model projects that the size of the veteran population will decrease to 17.9 million in 2020. However, it is projected that the demand for benefits and services from a more elderly veteran population will increase.

VETERAN POPULATION BY PERIOD OF SERVICE



Veteran Population Period of Service Graph as of September 30, 2002.
Source: VetPop 2001 Adjusted to Census 2000, Office of Policy, Planning, and Preparedness, December 2002

PROGRAM		FY 2003 PARTICIPANTS*
MEDICAL CARE	UNIQUE PATIENTS	4,982,000
COMPENSATION	VETERANS	2,485,200
	SURVIVORS/CHILDREN	336,800
PENSION	VETERANS	346,600
	SURVIVORS	231,300
EDUCATION	VETERANS / SERVICEPERSONS	349,000
	RESERVISTS	88,000
	SURVIVORS / DEPENDENTS	62,000
VOCATIONAL REHABILITATION	VETERANS RECEIVING SERVICES	97,500
HOUSING	LOANS GUARANTEED	489,400
INSURANCE	VETERANS	2,018,700
	SERVICEPERSONS / RESERVISTS	2,410,500
	SPOUSES / DEPENDENTS	3,090,000
BURIAL	INTERMENTS	89,800
	GRAVES MAINTAINED	2,574,500
	HEADSTONES/MARKERS PROCESSED	335,100
	PRESIDENTIAL MEMORIAL CERTIFICATES	254,600

*NUMBERS OF PARTICIPANTS ARE ROUNDED TO THE NEAREST 100.

WHO WE ARE

VA's mission is "To care for him who shall have borne the battle and for his widow and his orphan."

President Lincoln's simple proclamation represents not only the Nation's rich history of respect and care for those who served in the national interest, but also the focus of the Department's activities today and our plans for serving veterans in the future.

Recognition of, respect for, and compensation to those who served in support of the national interest are principles that can be traced back to the earliest history of our Nation. In 1636, the Plymouth Colony passed a law that provided lifetime support for any soldier who returned from battle with an injury. In 1778, the first national pension law was enacted for soldiers who fought in the American Revolution. In 1862, President Lincoln signed legislation that authorized national cemeteries and, in 1930, the Veterans Administration was created. In 1944, the Servicemen's Readjustment Act, or "GI Bill of Rights" was signed into law. In 1989, the Veterans Administration was raised to a cabinet level agency, to the Department of Veterans Affairs, where veterans' issues could be placed at the highest level of national government.

Today, the Department of Veterans Affairs carries on the Nation's strong history of support for veterans. By challenging ourselves to provide world-class benefits and services to veterans in a cost-effective manner, VA strives to fulfill the words spoken by President Lincoln over 100 years ago. The spirit of these words is further ingrained in the Department's statutory mandate - *To administer the laws pro-*

viding benefits and other services to veterans and the dependents and the beneficiaries of veterans. (38 U.S.C.301(b)). This mandate sets forth VA's role as the principal advocate for veterans and charges VA with ensuring that veterans receive the medical care, benefits, social support, and lasting memorials they deserve in recognition of their service to our Nation.



To fulfill our important mission, VA projects its total obligations for FY 2004 to be \$69.7 billion, as part of the President's requested budget. Of that amount, \$37.7 billion will be for benefits programs, \$30.0 billion will be committed to medical care, and \$423 million will support burial operations and associated 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. VA is a leader in diversity - women represent 57% and minority groups 36% of our workforce. VA is also a leader in hiring veterans, enhancing our ability to understand and meet veterans' needs.

As of September 30, 2003, VA has facilities in all 50 states, the District of Columbia, and U.S. territories. We deliver services to veterans through our 160 VA Hospitals, more than 800 community and facility-based outpatient clinics, 206 Vet Centers, 57 regional benefit offices, and 120 national cemeteries.

CORE VALUES

Commitment

Veterans have earned our respect and commitment, and their health care, benefits, and memorial services needs drive our actions.

We will value our commitment to veterans through all contingencies and remain fully prepared to achieve our mission.

Excellence

We strive to exceed the service delivery expectations of veterans and their families.

We perform at the highest level of competence with pride in our accomplishments.

People

We are committed to a highly skilled, diverse, and compassionate workforce.

We foster a culture of respect, equal opportunity, innovation, and accountability.

Communication

We practice open, accurate, and timely communication with veterans, employees, and external stakeholders, and seek continuous improvement in our programs and services by carefully listening to their concerns.

Stewardship

We will ensure responsible stewardship of the human, financial, information, and natural resources entrusted to us.

We will improve performance through the use of innovative technologies, evidence-based medical practices, and sound business principles.

For questions, or additional information, contact strategicplan@mail.va.gov.