

**STATEMENT OF
THE HONORABLE PATRICK W. DUNNE
REAR ADMIRAL, U. S. NAVY (ret)
ASSISTANT SECRETARY FOR POLICY AND PLANNING
U.S. DEPARTMENT OF VETERANS AFFAIRS**

**BEFORE THE SUBCOMMITTEE ON NATIONAL SECURITY AND
FOREIGN AFFAIRS
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES**

SEPTEMBER 26, 2007

Good morning. Mr. Chairman and distinguished members of the committee, thank you for holding this hearing and providing the opportunity to discuss the recent activities of the Department of Veterans Affairs (VA) to improve benefits and services to our Nation's veterans through improved processes and greater collaboration with the Department of Defense (DoD).

The level of attention currently focused on our wounded service members and their families is unprecedented – and rightly so. Over the past seven months, I have had the privilege of being engaged in many activities dedicated to ensuring our returning heroes from Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) receive the best available care and services. I join my colleagues from VA and those from the Department of Defense in striving to provide a lifetime of world-class care and support for our newest generation of veterans and their families.

On March 6, 2007, by Executive Order, the President established the interagency Task Force on Returning Global War on Terror Heroes. VA Secretary Nicholson

was appointed to Chair the Task Force and I was proud to support him as the Executive Secretary. On April 19, 2007, the Task Force issued its report to the President. The Task Force made 25 recommendations to improve the delivery of federal services and benefits to returning service members. The Report contained recommendations in the areas of health care, benefits, employment, education, housing and outreach that could be achieved with existing authority and resource levels. The report was unique in that it also included an ambitious schedule of milestones and actions necessary to implement its recommendations. We continue to monitor implementation and I am pleased to inform you that, thanks to outstanding interagency cooperation, as of August 28, 56 of 58 action items have been completed or initiated.

The results of actions taken in response to recommendations in the Task Force Report are having a positive impact on the lives of service members, veterans, and their families. I would like to highlight some of the progress achieved.

In response to a Task Force recommendation, the Small Business Administration launched the Patriot Express Loan Initiative. This program provides a full range of lending, business counseling, and procurement programs to separating service members, veterans, spouses, survivors, and eligible dependents. This program has already approved more than \$23 million in loans since it began in mid June.

Several initiatives have and will continue to support seamless and world-class health care delivery. VA and DoD have drafted a joint policy document on co-management and case management of severely-injured service members. The goal is to provide individualized, integrated, interagency and intergovernmental support for the wounded, severely-injured or ill service member and his/her family throughout the process of treatment, rehabilitation, and renewal. VA and DoD will work together to minimize fragmentation of Federal clinical and non-clinical services, improve the coordination of medical and rehabilitative care, and ensure access to all needed resources.

To assist OEF/OIF wounded service members and their families in navigating through the transition process, VA hired 100 new Transition Patient Advocates (TPA). These men and women, often veterans themselves, recognize the difficulty in understanding the many different programs and processes which come into play. VA TPAs work with VHA, the Veterans Benefits Association (VBA), and DoD, case managers and clinicians to ensure that patients and families can focus on recovery.

VA has also revised its electronic health care enrollment form to include a selection option for OEF/OIF to ensure proper priority of care.

Many advances are the result of improved records management and greater sharing and Information Technology (IT) interoperability with DoD. In response to Task Force recommendations, DoD and VA worked collaboratively to expand

access to service members' electronic health records by jointly developing the electronic capability to transfer digital radiographs from Military Treatment Facilities (MTFs) at Walter Reed, Bethesda, and Brooke to VA Polytrauma Rehabilitation Centers. The capability for electronic transmission of historical health care data from DoD MTFs to VA Medical Centers is complete in the domains of allergies, outpatient medications, laboratory results, and radiology. Additionally, a contract was recently awarded for an independent assessment of inpatient electronic health records in the Departments of Veterans Affairs and Defense. The contract will provide recommendations for the scope and elements of a joint electronic inpatient medical record.

In July of this year, the Report of the President's Commission on Care for America's Returning Wounded Warriors was issued. This Commission had a greater scope than the Task Force and was not constrained by existing authority and resources. In March, the Army Inspector General issued an inspection report on the Army Physical Disability Evaluation System detailing findings of military medical and personnel policies, procedures and services for wounded and injured Soldiers. There was also a report issued by the Secretary of Defense's Internal Review Group examining the conditions at Walter Reed Army Medical Center. In October of this year, the Veterans Disability Benefits Commission will issue its report and recommendations.

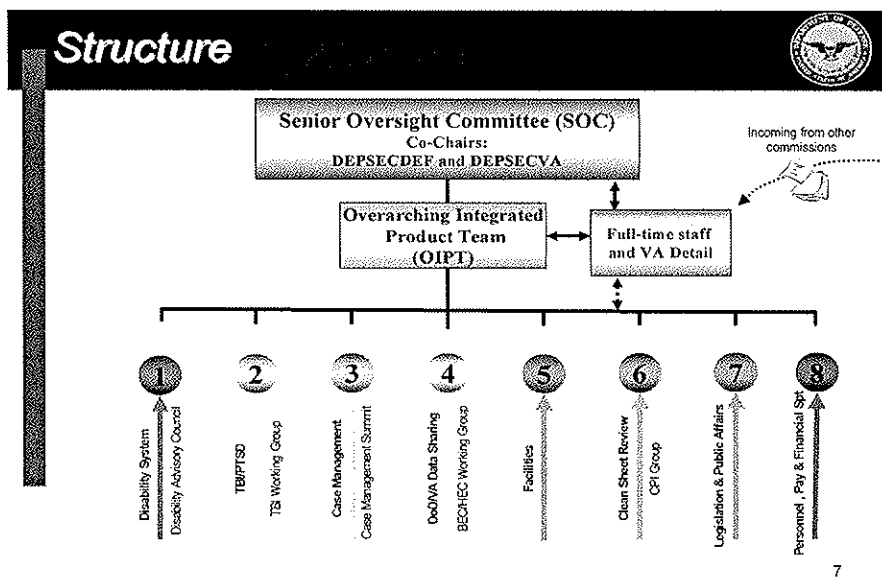
To ensure a seamless continuum of service to wounded, ill, and injured service members, the Departments of Veterans Affairs and Defense began an integrative effort, and established the Wounded, Ill, and Injured Senior Oversight Committee (SOC) on May 3, 2007. The SOC, composed of senior military and civilian officials from both Departments, was established for a 12-month time period, and was tasked to ensure the recommendations of the task forces and committees were properly reviewed, coordinated, implemented, and resourced. The Committee is co-chaired by the Deputy Secretary of Veterans Affairs and Deputy Secretary of Defense, and meets weekly to streamline processes, mitigate potential conflicts, and expedite the two Departments' efforts to improve support of injured service members' recovery, rehabilitation, and reintegration.

Senior Veterans Affairs and Defense officials serve on the SOC. This includes the Service Secretaries, the Chairman of the Joint Chiefs of Staff, the Service Chiefs, and VA's Under Secretary for Health, Under Secretary for Benefits, Assistant Secretary for Policy and Planning, and Deputy Assistant Secretary for Information and Technology. The driving principle guiding the SOC's efforts is the establishment of a seamless continuum that is efficient and effective in meeting the needs of our wounded, ill, and injured service members/veterans and their families.

Supporting the SOC decision-making process is an Overarching Integrated Product Team (OIPT), composed of the Under Secretary of Benefits, Assistant Secretary of Policy and Planning, and other senior officials from VA and DoD.

The OIPT reports to the SOC and coordinates, integrates, and synchronizes the work of eight Lines of Action and recommends sourcing solutions for resource needs.

The diagram below depicts the structure supporting the SOC. The Lines of Action, which have Senior Executive Service Co-Leads from both Departments, establish plans, set and track milestones, and identify and enact early, short-term solutions.



The Lines of Action (LOA) and their goals are:

- **LoA #1: Redesign the Disability Evaluation System**

Goal: To develop a single, supportive, and transparent disability evaluation system.
- **LoA #2: Address Traumatic Brain Injury/Psychological Health**

Goal: To provide service members with lifelong standardized and comprehensive screening, diagnosis, and care for all levels of Traumatic Brain Injury and Post Traumatic Stress Disorder, in conjunction with education for patients and family members.
- **LoA #3: Fix Case Management**

Goal: To coordinate health care, rehabilitation, and benefits, delivery of services and support that will effectively guide and facilitate service members and their families through necessary processes.
- **LoA #4: Expedite Data Sharing**

Goal: To ensure appropriate beneficiary and medical information is visible, accessible, and understandable through secure and interoperable information management systems.
- **LoA #5: Facilities**

Goal: To provide service members and families with the best possible facilities for care and recovery.
- **LoA #6: “Clean Sheet” End-to-End Review**

Goal: To honor our service members by providing wounded, ill, and injured personnel and their families the best quality care and a compassionate, fair, timely, and non-adversarial disability adjudication process – enabling service members to return to the fullest, most productive and complete quality of life possible.
- **LoA #7: Comprehensive Legislation and Public Affairs**

Goal: To coordinate the development of comprehensive legislation that will provide the best possible care and treatment for injured service members and families. Additionally, to keep the public informed of significant accomplishments and events.

- **LoA #8: Personnel, Pay, and Financial Benefits**

Goal: To provide compassionate, timely, accurate and standardized personnel, pay, and financial support practices for Wounded, Injured and Ill to ensure appropriate data sharing, quality control, and support benefits.

In a collaborative effort with DoD, VA has made great strides in addressing issues surrounding Post-Traumatic Stress Disorder (PTSD) and traumatic brain injury (TBI) concerns across the full continuum of care. The focus of these efforts has been to create and ensure a comprehensive, effective, and individually focused program dedicated to prevention, protection, identification, diagnosis, treatment, recovery, and rehabilitation for our military members, veterans, and families who deal with these important health conditions.

Since June 2007, a collaborative team of VA and DoD experts known as the "Red Cell" has worked to (1) create an integrated, comprehensive Department of Veterans Affairs/Defense program to identify, treat, document, and follow-up those who experience TBI or PTSD conditions while either deployed or in garrison; and (2) determine how to build resilience, both in people and in organizations, to prevent issues from developing and to reduce their impact if they do occur.

VA and DoD have partnered to develop clinical practice guidelines (CPG) for PTSD, Major Depressive Disorder, Acute Psychosis, and Substance Use Disorders. These guidelines help practitioners determine the best available and most appropriate care.

Our Senior Oversight Committee also has approved a National Center of Excellence for PTSD and TBI. It will include liaisons from both VA and DHHS, as well as an external advisory panel organized under the Defense Health Board to provide the best advisors across the country to the military health system. This center will facilitate coordination and collaboration between VA and the Military Services, promoting and informing best practice development, research, education and training.

As of the first half of FY 2007, approximately 250,000 returning veterans have sought care from VA medical centers and clinics. Of these, about 38 percent have received at least a preliminary diagnosis of a mental health condition, and 18 percent have received a preliminary diagnosis of PTSD, making it the most common, but by no means the only mental health condition related to the stress of deployment. Professionals with special expertise in PTSD are available in all medical centers to serve veterans with PTSD. Most are best served in outpatient programs, but for those with more severe symptoms, VA has inpatient and residential rehabilitation options across the country.

VA has taken several actions at multiple levels to promote the recruitment and retention of mental health professionals in the Veterans Health Administration (VHA). In February 2007, both an Education Debt Reduction Program and an Employee Incentive Referral Initiative began. The new mental health Education Debt Reduction Program currently provides up to \$38,000 of education loan

repayment for qualified student debt. The Employee Incentive Referral program provides a bonus to VA employees who refer mental health providers who are hired into VA positions. These initiatives have already generated significant interest.

At the local level, opportunities have been developed for VA facilities to engage in local advertising and recruitment activities and to cover interview-related costs, relocation expenses, and provide limited hiring bonuses for exceptional applicants. VA has also established opportunities for supporting individual training and education activities for mental health employees, demonstrating an investment in staff can also have a positive impact on retention.

Rates of hiring have increased significantly in recent months, suggesting that the enhanced recruitment efforts are having a positive impact. Since FY 2005, VA has authorized 4,367 new Mental Health Enhancement positions. As of August 31, 2007, 81 percent of these positions have been filled.

In terms of treating TBI, VA offers comprehensive primary and specialty health care to our veterans, and is an acknowledged national leader in providing specialty care in the treatment and rehabilitation of TBI and polytrauma. Since 1992, VA has maintained four specialized TBI Centers. In 2005, VA established the Polytrauma System of Care, leveraging and enhancing the existing brain injury polytrauma expertise existing at these TBI centers to meet the needs of

seriously injured veterans and active duty service members from operations in Iraq, Afghanistan, and elsewhere. The Secretary of Veterans Affairs recently announced the decision to locate a fifth Polytrauma Center in San Antonio TX.

The Departments of Veterans Affairs and Defense are also working closely to redesign and establish one Disability Evaluation System (DES) for use by service members. A pilot program is being explored via tabletop exercise to ensure that no service member is disadvantaged by this new system, and that the service member receives the high quality medical care, and appropriate compensation and benefits for the residuals of his or her disabilities incurred or aggravated by military service. An operational pilot program should be completed in the second quarter of 2008. If it is as successful as we plan, this pilot program will be expanded beyond the Washington Capital Region to become the DES system, worldwide.

The proposed new system is much more efficient. It will produce more consistent outcomes and, with VA and DoD working together as a team, the new system is a seamless, single process for users. We envision it cutting in half the time it takes for a service member to go through the DES, from the time the member is referred for a Medical Evaluation Board (MEB), to the time the member is discharged from active military service and receives his or her first payment from VA.

An important improvement in this proposed system is that the service member will only be required to have one medical examination or series of medical examinations, depending on the severity of the potentially disqualifying conditions to meet the requirements of both DoD and VA. Currently, a Service-specific medical examination is required for the purpose of determining a service member's ability to continue on active military service based on the residual unfitting disability and the service member's, rank, rating, or military occupational skills, and a VA medical examination is also required for the purpose of evaluating the residual of the disability under VA's Schedule for Rating Disability, so a percentage evaluation can be assigned to the disability. Under the current system, if service members are found unfit and are separated or retired, they must complete the second VA exam to determine whether the claimed medical conditions are service-connected and represent impediments to full employment capability.

Under the proposed new DES system, the one medical examination process collects information required by both Departments. Under this system, when the service member transitions to civilian life, VA already will have the information needed to immediately start paying the veteran the appropriate amount of compensation for the residuals of his or her disability incurred or aggravated by military service.

Over the last four years, the Veterans Benefits Administration (VBA) service coordinators conducted more than 28,000 briefings attended by more than a million active duty and reserve personnel and their family members. Additionally, through the Benefits Delivery at Discharge program, service members at 153 military bases in the United States, Germany, and Korea are assisted in filing for disability benefits prior to separation. This fosters continuity of care between the military and VA systems and speeds up VA's processing of their application for compensation. Claims decisions can be completed prior to separation and veterans can begin receiving VA compensation payments, without delay, upon separation from the military. VBA also processes the claims of OEF/OIF veterans who apply for VA disability compensation or pension on an expedited basis.

In April 2007, Secretary Nicholson created a new Advisory Committee on OIF/OEF Veterans and Families to advise VA on ways to improve programs serving OEF/OIF veterans, their families, survivors, and care givers. The Committee is composed of OEF/OIF veterans, family members, survivors, and caregivers who have insight into how VA is responding to the unique circumstances of these veterans.

Thank you for providing me this opportunity to share with you recent activities in the Department of Veterans Affairs. I will be happy to answer any questions you may have.