

# Objective 1.1

		FY 2004 Obligations (\$ in Millions)	% of Total VA Resources
<b>Strategic Goal 1</b> Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.		\$41,459	59.3%
Objective	Performance Results		
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.	<ul style="list-style-type: none"> <li>Increased to 86 percent the score on the Prevention Index II for special populations of veterans (goal was 80 percent)</li> <li>Increased to 79 percent the proportion of homeless veterans discharged from domiciliary or residential care settings to an independent or secured institutional living arrangement (goal was 67 percent)</li> </ul>	\$13,121	18.8%

## Performance

VA's principal focus in the delivery of health care services is to provide timely, high-quality care to our core service population—service-connected disabled veterans, veterans with lower incomes, and veterans with special health care needs. During FY 2004 the Department continued to make progress toward achieving Objective 1.1, in part by establishing priority access to health care for veterans with service-connected disabled conditions. VA worked with the Department of Defense (DoD) to ensure that veterans or servicemembers returning from Operation Enduring Freedom or Operation Iraqi Freedom 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. In addition, 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 active duty military patients and veterans. With a strong emphasis on the provision of high-quality health care, VA raised its score on the Prevention Index II for special populations from 80 percent to 86 percent. This index charts the outcomes of nine medical interventions that measure how well VA follows national primary-prevention and early-detection recommendations for several diseases or health factors that significantly determine health outcomes for veterans with special needs, including those with disabilities. The Department was also successful in placing 79 percent of homeless veterans previously cared for in domiciliary or other residential settings to independent living, halfway houses, or transitional housing. VA administers three special programs providing outreach, psychosocial assessments, referrals, residential treatments, and follow-up case management to homeless veterans.

## Program Assessment Rating Tool (PART) Evaluation

During the development of the FY 2005 budget, the Administration conducted a PART evaluation of the medical care program that relates to the accomplishment of Objective 1.1. This assessment reviewed the combined effectiveness of the legislative and executive branches in designing and implementing the many aspects of VA's medical care program. The PART evaluation for the medical care program resulted in a rating of "Adequate," an improvement from the FY 2004 budget year PART rating of "Results Not Demonstrated." The improvement in the PART evaluation of the medical care program resulted from several factors, including VA's sharpening its focus on providing timely, high-quality health care to our highest priority veterans—those with service-connected disabled conditions, veterans with lower incomes, and those with special health care needs.

## Major Management Challenges

VA's Office of Inspector General has identified the following health care issues as major management challenges related to Objective 1.1 (the program's response to each challenge may be found on the pages referenced below):

- Part-time physician time and attendance – implementation of management controls continues to need improvement to ensure that part-time physicians meet their employment obligations (refer to pages 230-231 for more information).
- Staffing guidelines – lack of staffing standards for physicians and nurses continues to impair VA's ability to adequately manage personnel resources (refer to pages 231-232 for more information).
- Quality management – senior hospital managers need to ensure that the quality management process is effectively maintained in all clinical departments (refer to page 232 for more information).
- Long-term health care – challenges remain in the community nursing home program, homemaker/home health aide program, and community residential program (refer to pages 232-234 for more information).

- Security and safety – further work is needed to improve overall security, inventory, and internal controls over biological, chemical, or radioactive agents at VA health care facilities (refer to pages 234-235 for more information).
- Management of violent patients – further steps need to be taken to enhance employee security in the management of violent patient events (refer to page 235 for more information).

The Government Accountability Office has identified the following health care issues as major management challenges related to Objective 1.1 (the program's response to each challenge may be found on the pages referenced below):

- Access – more needs to be done to ensure veterans receive the care they need, when they need it (refer to pages 250-251 for more information).
- Long-term care – improvements are needed in nursing home inspections and increasing access to non-institutional long-term care services (refer to page 251 for more information).
- Hepatitis C – further efforts are needed in screening and testing veterans for hepatitis C, notifying veterans who test positive, and evaluating veterans' medical conditions regarding potential treatment options (refer to pages 251-252 for more information).

## Program Evaluations

The Department is currently developing detailed plans for a program evaluation of the services for severely mentally ill patients. Four patient populations have been defined for study: schizophrenia; bi-polar; post-traumatic stress disorder; and major depressive disorder. These populations represent high-volume, high-cost patients. Patient-centered outcomes have been developed for each of the patient populations along a continuum of care from diagnosis and assessment, treatment, and chronic disease management through rehabilitation. In addition to the evaluation of outcomes for each diagnosis group, research questions will address other aspects of mental health treatment. These will include

such areas as variations in availability of services, receipt of care for non-mental health diagnoses, barriers to access for care, and comparison of services and outcomes for non-VA patients.

The statement of work is currently being approved within VA. The evaluation is expected to be contracted to a firm in partnership with a university school of public health or medicine by the end of calendar year 2004. The study will take approximately 2 years to complete.

Booz Allen Hamilton and Northwestern University completed a program evaluation of the services provided by VA's Prosthetics and Sensory Aids Service in 2003. The specific populations studied included veterans at risk for amputations; lower extremity amputees; patients on home oxygen; patients who are legally blind, hearing impaired, or use motorized wheelchairs; and those at risk for additional heart attacks. Outcomes for each of these groups were developed and evaluated. In addition, the study evaluated VA contracts to provide home oxygen, veteran access to some new technologies, the effect of VA's program for those at risk for amputations, and the possibility for accreditation of VA's orthotics and prosthetics laboratories.

A major portion of the study evaluated the Preservation Amputation Care and Treatment Program, a program dedicated to caring for those at risk for amputations and those who already have had amputations. The results showed a program that is a model of care to prevent amputations being implemented differently across facilities, with a high percentage of veterans appropriately screened for risk. However, facilities with highly implemented programs did more amputations. Other results showed that VA is unique in providing

computer access training and computer readers to veterans who show interest and capability, and a full 97 percent of blind veterans receive either a computer reader or a closed circuit television. VA also provides automated implantable cardiac defibrillators and motorized wheelchairs to those needing such devices. The study suggested that VA could do a better job of performing cochlear implants to those who could benefit from them. The study recommended that VA mandate that its orthotics and prosthetics laboratories become accredited.

## New Policies and Procedures

Several new policies have been implemented recently that highlight our focus on our core service population in support of Objective 1.1. For example, VA has:

- Moved service-connected disabled veterans rated 50 percent or more to the top of the priority list for outpatient care.
- Provided priority access to medical care for all veterans returning from Gulf War duty, particularly those with service-connected disabled conditions.
- Suspended additional enrollments for new priority 8 veterans in order to ensure sufficient resources are available to care for veterans with military-related disabilities, lower incomes, or needing specialized care.
- Implemented additional programmatic and cost-sharing policies further aimed at focusing resources on the Department's core service population.
- Continued to work closely with DoD and other Federal agencies in such areas as interoperable computerized patient health data, improved data on insurance coverage, and enrollment and eligibility information to improve resource utilization.

# Objective 1.2

		FY 2004 Obligations (\$ in Millions)	% of Total VA Resources
<b>Strategic Goal 1</b> Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.		\$41,459	59.3%
Objective	Performance Results		
1.2 Provide timely and accurate decisions on disability compensation claims to improve the economic status and quality of life of service-disabled veterans.	<ul style="list-style-type: none"> <li>Improved to an average of 166 days the timeliness for completing rating-related actions on C&amp;P claims (goal was 145 days)</li> <li>Average days pending for C&amp;P rating-related actions increased to 118 days (goal was to decrease to 80 days)</li> <li>Improved to 87 percent the national accuracy rate for C&amp;P core rating work (goal was 90 percent)</li> </ul>	\$27,299	39.0%

## Performance

VA's top priority related to the many benefits programs the Department administers is to process claims in a timely and accurate manner. There are many measures that indicate how well we are doing in meeting Objective 1.2, but the three most important indicators of success are the average number of days it takes to process rating-related compensation and pension (C&P) claims, the average number of days pending for rating-related C&P claims, and the national accuracy rate for C&P claims. While the Department did not meet the FY 2004 performance goal for any of these three measures, we reduced the time required to process claims for compensation and pension benefits, while at the same time improved the high degree of accuracy with which these claims were processed. Entering FY 2004, VA was well positioned to meet our performance goals pertaining to the timeliness of processing claims. However, a September 2003 decision by the Federal

Circuit Court in the case of the *Paralyzed Veterans of America et al. v. the Secretary of Veterans Affairs* required VA to keep veterans' claims open for 1 year before making a decision. As a result, decisions on over 62,000 claims were deferred, many for as much as 90 days or longer. While the President signed correcting legislation in December 2003, the impact of the court decision in the early portion of FY 2004 was substantial. The number of claims pending grew dramatically, and the timeliness of claims processing deteriorated rapidly. VA made significant progress during the last half of the year, but we were not able to fully overcome the negative effects from this court decision on the timeliness of our claims processing.

The Survey of Veterans Satisfaction with the VA Compensation and Pension Claims Process is administered on an annual basis in order to measure veteran satisfaction at the national and regional office levels. In FY 2003 (the most recent annual data

available), 42 percent of all survey respondents receiving compensation benefits felt they were kept informed of the full range of their available benefits. This figure is 2 percentage points higher than the previous year's level. When looking at compensation and pension recipients together, the survey revealed that 59 percent were very or somewhat satisfied with the way their claims were handled. This was 3 percentage points higher than the satisfaction level 2 years earlier. The contract for the next survey was signed in September 2004. Data for 2004 will be available in January 2005.

### **Program Assessment Rating Tool (PART) Evaluation**

During the development of the FY 2004 budget, the Administration conducted a PART evaluation of the disability compensation program that relates to the accomplishment of Objective 1.2. This assessment reviewed the combined effectiveness of the legislative and executive branches in designing and implementing the many aspects of the disability compensation program. The PART evaluation for this program resulted in a rating of "Results Not Demonstrated." The primary reasons for this rating were a determination that the purpose of the disability compensation program is not clear, and that additional work needs to be done to develop sufficient performance measures that address the outcomes of this program.

### **Major Management Challenges**

VA's Office of Inspector General has identified the following benefits issues as major management challenges related to Objective 1.2 (the program's response to each challenge may be found on the pages referenced below):

- Compensation and pension timeliness – VA still needs to address recommendations made by the Office of Inspector General during its review of this program and should fully implement the recommendations made by the Secretary's Claims Processing Task Force (refer to pages 236-237 for more information).

- Compensation and pension program's internal controls – further actions need to be taken to address program vulnerabilities (refer to pages 237-238 for more information).

The Government Accountability Office has identified the following benefits issues as major management challenges related to Objective 1.2 (the program's response to each challenge may be found on the pages referenced below):

- Challenges to improving timeliness – additional work needs to be done in addressing delays in obtaining evidence to support claims, ensuring experienced staff are available for the long term, and implementing information systems to help improve productivity (refer to pages 259-260 for more information).
- Decision accuracy and consistency – further work should be done to fully implement the Training and Performance Support System, and a system needs to be established to regularly assess and measure the degree of consistency across all levels of VA claims adjudication (refer to pages 260-261 for more information).
- Disability criteria – disability criteria need to be aligned with medical and technological advances, and steps need to be taken to ensure disability ratings are based on current information (refer to pages 261-263 for more information).

### **Program Evaluations**

In November 2003, the President signed Public Law 108-136 that established the Veterans' Disability Benefits Commission. This commission will conduct an independent study of the benefits provided to compensate and assist veterans and their survivors for disabilities and deaths attributable to military service. The commission will examine and make recommendations concerning the appropriateness of the benefits, the appropriateness of the level of the benefits, and the appropriate standard(s) for determining whether a disability or death of a veteran should be compensated. A summary of the commission's findings and recommendations will be included in future reports.

## New Policies and Procedures

New policies and procedures have recently been implemented in support of Objective 1.2. For example, VA has:

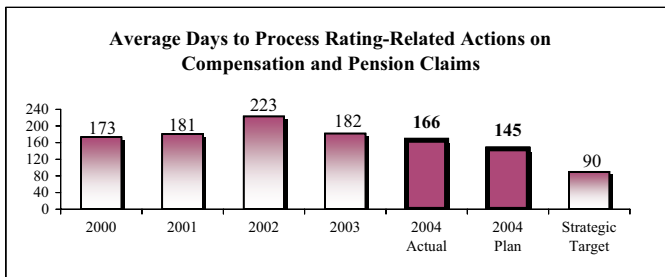
- Expanded the use of the Benefits Delivery at Discharge (BDD) program at military installations around the country. Conducted in close collaboration with the Department of Defense, the BDD program assists active duty military personnel in filing claims for benefits at or near their time of discharge in order to expedite the processing of these claims.
- Identified service center teams within distinct functional areas to allow for greater workload control, development

of expertise by the staff, higher quality decisions, and more efficient and timely processing of claims.

Beginning in FY 2005, VA will track a variety of performance measures relating to the timeliness, accuracy, and quality of compensation claims processing. This will be the first year the Department will collect and report on claims processing data separately for the compensation program. Prior to this, data on the compensation program were combined with claims processing information on the pension program.

## Objective 1.2 — Key Performance Goal

*Complete processing of Compensation and Pension rating-related actions within 145 days, on average.*



## Description, Importance, and Results

The timeliness of claims processing is measured from the date VA receives a claim until a decision is rendered. Data are captured by the Benefits Delivery Network as a part of the claims process. Cases are periodically called in for review from the regional offices to ensure the integrity of the data being reported.

Although the goal was not met in FY 2004, an improvement in the average days to process a rating claim was made from FY 2003 performance, reducing the cumulative average by 16 days.

## Management and Policy Issues

Our partnership with the Department of Defense (DoD) and our liaison work with the Center for Unit Records Research continue to be major factors in decreasing the average number of days to process a disability compensation claim. Under the Benefits Delivery at Discharge (BDD) program, VBA and VHA developed a joint examination protocol with DoD for servicemembers leaving active military service. As of August 2004, 28 out of 139 BDD sites use the Single Separation Examination Protocol, which meets DoD's discharge requirements and VA's compensation requirements.

VBA is making technological enhancements to current software applications to streamline our claims process, which will assist us in meeting our goal. We continue to prioritize the oldest claims in our inventory as well as claims from our older veteran population. VA has restructured the Veterans Service Centers at all regional offices as well as the Pension Maintenance Centers and redesigned the work flow to reflect the steps in the

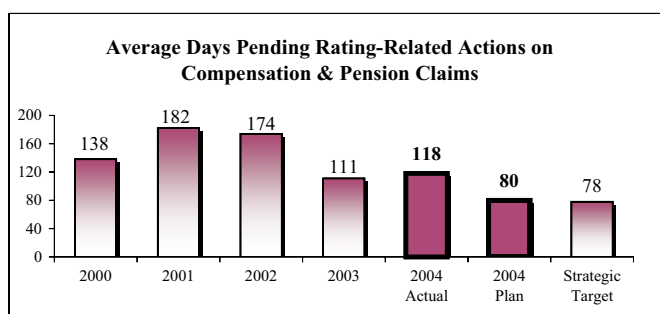
claims process, allowing us to achieve increased efficiencies and reduce our cycle times. As we continue to analyze and make improvements in our processing cycles and work to further reduce our pending inventory, the length of time required to process claims will continue to decline.

## Data Quality

Please refer to the Key Measures Data Table on page 130.

## Objective 1.2 — Key Performance Goal

*Reduce Compensation and Pension rating-related cases pending to 80 days, on average.*



### Description, Importance, and Results

The timeliness of claims pending is measured from the date VA receives a claim through the current date. Data are captured by the Benefits Delivery Network as a part of the claims process. Cases are periodically called in for review from the regional offices to ensure the integrity of the data being reported.

We did not meet our goal for FY 2004. While we were on track at the end of FY 2003 to make our goal for this year, our workload was severely impacted by the court decision, *Paralyzed Veterans of America et al. v. the Secretary of Veterans Affairs*. Over 62,000 claims were deferred, many for as much as 90 days or longer. Consequently, the effect on the number of claims pending and the timeliness of claims processing was significant. With enactment of correcting legislation, signed by the President in December 2003, VA made significant progress in reducing these numbers.

However, we have not fully recovered from the negative effects of this court decision, and continue to strive to reduce the pending backlog.

### Management and Policy Issues

We will continue collaborations with DoD on information data exchange. We are currently working with DoD's Joint Requirements and Integration Office to obtain limited access to active-duty personnel data in order to process claims. Once access is granted, VA will have the ability to query the DoD database to obtain information on servicemembers, including combat history, service dates, reserve status/drill dates, dependency information, and history of exposure to radiation, toxins, etc.

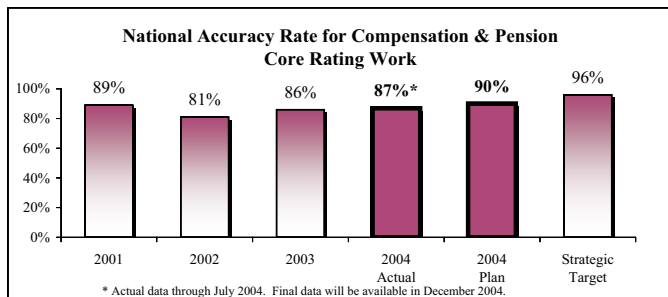
In addition, the Training, Responsibility, Involvement and Preparation of claims program will assist in meeting this goal for FY 2005. This program provides training and certification of skills to veterans service officers on the proper procedures of developing a claim. These skills result in the submission of more complete evidence, which in turn provides for quicker decisions.

### Data Quality

Please refer to the Key Measures Data Table on page 130.

## Objective 1.2 — Key Performance Goal

*Increase to 90% the national accuracy rate for Compensation and Pension core rating work.*



### Description, Importance, and Results

While the goal was not met, the accuracy rate slightly improved during the course of the year, and finished 1 percentage point above FY 2003. With increased sample reviews and ongoing training, it is anticipated that future accuracy goals will be met.

### Management and Policy Issues

Training remains a VBA priority. A variety of mediums are used for centralized training, including satellite

broadcasts, training letters, and computer-assisted training. In addition, local training is conducted based on needs identified through ongoing local individual performance reviews. Particular effort is made to ensure high-quality centralized training for new veterans service representatives and rating veterans service representatives.

We also implemented a national individual performance review plan with standardized review categories, sample size, and performance standards. In order to ensure that quality is a top priority, the regional offices must certify corrective actions for all documented errors.

### Data Quality

Please refer to the Key Measures Data Table on page 130.



# Objective 1.3

		FY 2004 Obligations (\$ in Millions)	% of Total VA Resources
<b>Strategic Goal 1</b> Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.		\$41,459	59.3%
<b>Objective</b>	<b>Performance Results</b>		
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.	<ul style="list-style-type: none"> <li>Increased to 62 percent the proportion of all veteran participants who exited the vocational rehabilitation program and found and maintained suitable employment (goal was 67 percent)</li> </ul>	\$676	1.0%

## Performance

The purpose of VA's vocational rehabilitation and employment program is to provide for all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living, and to the maximum extent feasible, to become employable and obtain and maintain suitable employment. The key measure that the Department uses to gauge progress toward meeting the purpose of this program, and thus the extent to which we are achieving Objective 1.3, is the rehabilitation rate. During FY 2004, the share of all veteran participants who exited the vocational rehabilitation program and found and maintained suitable employment (i.e., the rehabilitation rate) increased to 62 percent, up from the FY 2003 rate of 59 percent. Program participation and successful attainment of the rehabilitation goal are closely related to the state of the employment market. Our performance improvement, in part, was limited by the challenging job market conditions that persisted throughout much of FY 2004.

Over 55,000 disabled veterans participated in a VA rehabilitation program during FY 2004 and another 15,000

were in the evaluation and planning stages of their program at year's end. Approximately 11,000 disabled veterans were successfully rehabilitated last year, a total 15 percent above the number rehabilitated during FY 2003.

## Program Assessment Rating Tool (PART) Evaluation

The PART review of the vocational rehabilitation and employment program that relates to the accomplishment of Objective 1.3 is scheduled to be conducted during FY 2005 as part of the formulation of the FY 2007 budget. The results of this upcoming PART review will be presented in future reports.

## Major Management Challenges

Neither VA's Office of Inspector General nor the Government Accountability Office identified any major management challenges related to Objective 1.3.

## Program Evaluations

In May 2003 the Secretary of Veterans Affairs approved a charter to create a Vocational Rehabilitation and Employment (VR&E) Task Force. At the initial meeting of

the group, the Secretary directed the members to “. . . give our program an unvarnished, top to bottom independent examination, evaluation and analysis . . . I want to ensure that veterans, and America, receive the maximum return from the dedication and energy invested by VA employees who have dedicated their lives to transforming disabled veterans into productive participants in civilian society.” The Secretary appointed 12 members who represented a diverse group of public and private sector experts from the disability, vocational rehabilitation, clinical, and consulting communities and veterans service organizations. In March 2004 the task force completed its work and released its findings and recommendations. Many of the recommendations on how to improve the program, which directly relate to Objective 1.3, were implemented during FY 2004.

## New Policies and Procedures

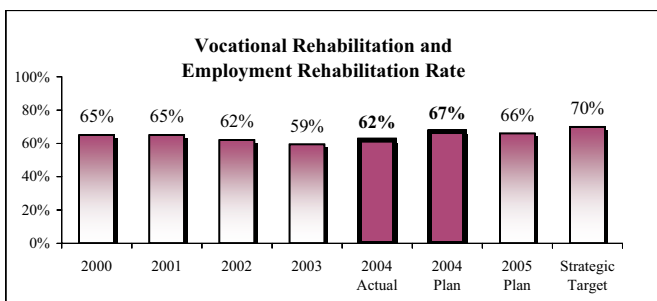
In response to the VR&E Task Force’s recommendations, several new policies and procedures were implemented in support of Objective 1.3 during FY 2004.

These included:

- Reorganizing headquarters staff and establishing new positions, including independent living coordinator, training and outreach supervisor, and senior policy analyst.
- Creating an employment work group to strengthen employment services.
- Increasing training for VR&E officers and counselors.
- Strengthening partnerships with other VA organizations, the Department of Labor, Council of State Administrators of Vocational Rehabilitation, and Commission of Accreditation of Rehabilitation Facilities.
- Conducting a study, in conjunction with VA’s Office of Policy, Planning, and Preparedness, on why veterans drop out of the VR&E Chapter 31 program or interrupt their rehabilitation plans before finding suitable employment. The results of this survey will be used to design and implement a risk mitigation program to improve the VR&E rehabilitation rate.
- Focusing and increasing our outreach efforts to veterans transitioning from military careers to civilian careers through the Transition Assistance Program and Disabled Transition Assistance Program.

## Objective 1.3 — Key Performance Goal

*At least 67 percent of all veteran participants who exit the vocational rehabilitation program will be rehabilitated.*



## Description, Importance, and Results

Rehabilitation programs are directed toward service-disabled veterans who have an employment handicap.

The goal of this program is to assist a veteran in obtaining suitable employment within that veteran’s physical and emotional capabilities and consistent with the veteran’s pattern of abilities, aptitudes, and interests.

VBA did not meet its goal of a 67 percent rehabilitation rate for service-disabled veterans exiting a vocational rehabilitation program and acquiring and maintaining suitable employment. Fewer employment opportunities along with a greater number of veterans who chose to leave the program before completion had a negative impact on achieving the targeted rehabilitation rate.

## Management and Policy Issues

In 2003, Secretary Principi assembled a task force to evaluate the VR&E program and recommend ways to improve service to disabled veterans. More than 100 recommendations were issued emphasizing a “new, integrated service delivery system based on an employment-driven process.” One of the main recommendations, the Five-Track Employment Process, focuses on finding suitable employment quickly, rather than entering a long-term training or education program.

In FY 2005, VBA will pilot Job Resource Labs in four regional offices. These labs will include the necessary resources to aid VBA staff and veterans to conduct comprehensive analyses of local and national job

outlooks, prepare for interviews, develop resumes, and conduct thorough job searches. Such improved service will make it easier for veterans to search for and find employment.

VBA is conducting a study on why veterans discontinue a program or interrupt their rehabilitation plans before finding suitable employment. The results of this survey will be used to design and implement a risk mitigation program to improve the rehabilitation rate.

## Data Quality

Please refer to the Key Measures Data Table on page 130.

# Objective 1.4

		FY 2004 Obligations (\$ in Millions)	% of Total VA Resources
<b>Strategic Goal 1</b> Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.		\$41,459	59.3%
Objective	Performance Results		
1.4 Improve the standard of living and income status of eligible survivors of service-disabled veterans through compensation, education, and insurance benefits.	<ul style="list-style-type: none"> <li>Reduced to 125 the average number of days to process claims for dependency indemnity compensation (DIC) (goal was 126 days)</li> <li>99 percent of DIC recipients were above the poverty level (goal was 75 percent)</li> <li>80 percent of DIC recipients were satisfied that VA recognized their sacrifice (goal was 50 percent)</li> </ul>	\$363	0.5%

## Performance

The primary vehicle through which the Department provides economic assistance to the survivors of veterans who had service-connected disabilities is the dependency and indemnity compensation (DIC) program. DIC is provided for surviving spouses, dependent children, and dependent parents of veterans who died of service-connected causes or while on active duty on or after January 1, 1957. During FY 2004 the Department made significant strides toward achieving Objective 1.4, based largely on the finding that 99 percent of all DIC recipients were above the poverty level. In addition, four of every five DIC recipients indicated they were satisfied that VA recognized their sacrifice. For both of these important measures, the Department exceeded the performance goals established at the beginning of the year. Not only did we largely achieve the intended outcome associated with Objective 1.4, but we also administered the DIC program in an efficient manner. VA reduced the average number of days required to process claims for DIC benefits by 18 percent during FY 2004 (from 153 days to 125 days). During FY 2004 the Department provided DIC benefit payments to more than 340,000 surviving family members.

## Program Assessment Rating Tool (PART) Evaluation

During the development of the FY 2004 budget, the Administration conducted a PART evaluation of the disability compensation program that relates to the accomplishment of Objective 1.4. This assessment reviewed the combined effectiveness of the legislative and executive branches in designing and implementing the many aspects of the disability compensation program, both for living veterans as well as their surviving spouses and dependent family members. The PART evaluation for this program resulted in a rating of "Results Not Demonstrated." The primary reasons for this rating were a determination that the purpose of the disability compensation program is not clear, and that additional work needs to be done to develop sufficient performance measures that address the outcomes of this program.

## Major Management Challenges

The major management challenges related to this objective are the same as those for Objective 1.2. Please refer to page 61 for more information.

## Program Evaluations

In 2001 the Department published the results of an independent study titled "Program Evaluation of Benefits for Survivors of Veterans with Service-Connected Disabilities." This independent evaluation found that several of the expected program outcomes are largely fulfilled, although there are some areas in which program changes or enhancements are required. The study outlines numerous recommendations pertaining to both the DIC and insurance programs administered by VA. Many of the suggested program changes require legislative action for implementation. The Department has thoroughly evaluated these recommendations and will continue to work towards implementing the highest priority considerations.

In November 2003, the President signed Public Law 108-136 that established the Veterans' Disability Benefits Commission. This commission will conduct an independent study of the benefits provided to compensate and assist veterans and their survivors for disabilities and deaths attributable to military service. The commission will examine and make recommendations concerning the appropriateness of the benefits, the appropriateness of the level of the benefits, and the appropriate standard(s) for determining whether a disability or death of a veteran should be compensated. A summary of the commission's findings and recommendations will be included in future reports.

## New Policies and Procedures

In support of Objective 1.4, VA conducts outreach visits to family members and has streamlined the application process for DIC benefits. This expedited process includes the electronic exchange of information between the Department's headquarters office in Washington, DC, and the Philadelphia Regional Office and Insurance Center to assist in processing insurance claims.