



## Most Important Achievements and Current Challenges By Strategic Goal

The Department's most important FY 2008 achievements as well as its current challenges are summarized as follows by strategic goal.

### Strategic Goal 1

#### RESTORATION AND IMPROVED QUALITY OF LIFE FOR DISABLED VETERANS

##### Most Important Achievements

**TRAUMATIC BRAIN INJURY (TBI):** In collaboration with the Department of Defense, VA developed the first **evidence-based guideline** on the management of **traumatic brain injury** in primary care settings. This will form the basis of caring for this challenging population throughout the VA healthcare system.

**DEVELOPED SURGICAL QUALITY AND OPERATIVE COMPLEXITY INFRASTRUCTURE MODEL:** As surgical procedures and perioperative care become more complex, it is increasingly important to understand their nature, and to quantify and qualify the extent of processes and personnel involved in the **pre-operative assessment**, the operative intervention, and the post-operative care of the surgical patient. The model **quantifies optimal levels** of pre-operative, intra-operative, and post-operative support in order to assure quality, safety, and efficiency.

**SUICIDE PREVENTION HOTLINE:** VA continued operating a **national suicide prevention hotline** to ensure that veterans in emotional crisis have free, **24/7 access** to trained counselors. Veterans can call the Lifeline number, 1-800-273-TALK (8255), and press "1" and they are immediately connected to VA suicide prevention and mental health professionals.

**UNIFORM MENTAL HEALTH SERVICES PROGRAM HANDBOOK:** This Handbook establishes **minimum clinical requirements for VA Mental Health Services**. It delineates the essential components of the mental health program that are to be implemented nationally to ensure that all veterans, wherever they obtain care in VA, have access to needed mental health services.

**36 PERCENT INCREASE IN SPECIALLY ADAPTED HOUSING (SAH) GRANTS AWARDED:** VA assisted 985 severely **disabled veterans** in building a new or adapting an existing dwelling to meet their adaptive **housing needs** enabling them to live more independently. This is a **36 percent increase** from 2007.

**BEGAN PILOTING NEW DISABILITY EVALUATION SYSTEM (DES):** Starting in the National Capital Region in **cooperation with DoD**, VA began testing a pilot project that involves administering a single DoD medical examination and a single VA disability evaluation for active duty persons entering the Physical Evaluation Board (PEB) process. The goal of the pilot program is to reduce the overall time it takes a servicemember to progress through DES from time of referral to the Medical Examination Board to receipt of VA benefits.

**PAPERLESS PROCESSING OF CLAIMS:** Benefits Delivery at Discharge (BDD) claims are now being processed electronically -- in a **paperless, fully automated environment**. On average, VA processes 28,500 BDD claims per year. Veterans will receive benefits more quickly after separation from service.

**INCREASED EFFICIENCY AND EFFECTIVENESS THROUGH SPECIALIZATION:** VA consolidated all customer service calls into nine **National Call Centers**, created a **fiduciary hub pilot** consolidating oversight of fiduciary activities from several sites into one site, and centralized processing of original pension claims to three **Pension Management Centers**.

**UPGRADING WORKFORCE SKILLS AND CAPABILITIES:** VA has embarked on an **aggressive training program** for new and seasoned **employment and rehabilitation counselors** to ensure that all veterans receive the high quality care they deserve. Training focus areas include the following: leading people, new counselor training, new manager training, employment coordinator training, and contract management training.



**Strategic Goal 1**  
**RESTORATION AND IMPROVED QUALITY OF LIFE FOR DISABLED VETERANS**

**Challenges**

**MAKING CULTURAL CHANGES AT VA'S COMMUNITY LIVING CENTERS (CLCs):** Cultural transformation at VA's CLCs means transforming the way we think about how we deliver care to our veterans in these facilities. The purpose of cultural transformation is to transform our CLCs from the institutional care model to **vibrant communities** where the focus is on resident-centered care and a homelike environment. Cultural transformation will take time.

**INCREASED SPECIAL ADAPTED HOUSING (SAH) WORKLOAD:** The SAH program's **workload increased 84 percent** from 2006 levels as a result of changes in Public Laws 109-233 and 110-289. These changes included **increased grant amounts**, multiple use provisions, and yearly adjustments to the grant maximums based on a cost-of-construction index.

**ADAPTING TO NEW WAYS OF DOING BUSINESS:** (1) The **DES Pilot** has required significant changes to business processes and extensive, **complex coordination** between VA and DoD. For example, service treatment records are transferred to VA in hard copy because the infrastructure to transfer the records electronically has yet to be built. (2) Adoption of **paperless processing** beyond just BDD will require a **robust electronic infrastructure** that builds on the efficiencies VA has achieved through its paperless processing pilots. (3) Consolidation of pension claims processing requires ongoing dedication to **training** of newly hired staff before improvements in efficiency are realized.

**DETERMINING WHAT VETERANS NEED FOR ENHANCED INDEPENDENT LIVING:** VA is conducting a study of **independent living services** and **outcomes** by reviewing a random sample of counseling files for veterans who entered independent living programs between February 2005 and December 2007. Through this analysis, VA will develop ways to enhance service delivery for veterans with independent living needs.

**Strategic Goal 2**  
**SMOOTH TRANSITION TO CIVILIAN LIFE**

**Most Important Achievements**

**OUTREACH TO DEMOBILIZED TROOPS:** VA initiated a **pilot demobilization program** with the Army to inform demobilizing reserve component (RC) combat veterans of their enhanced **5 years of free VA health care** and 180 days for dental care at VA during their mandatory demobilization separation briefings. VA offered assistance to demobilizing RC soldiers with completion of the enrollment form, collected completed forms, and submitted them to the VA medical center of the veteran's choosing.

**RESTORING VISION FOR HOMELESS VETERANS:** More than **550 homeless veterans** received vision care and eye glasses through donations from faith-based and community organizations (FBCO) and private sector foundations.

**CREATED THE VETSUCCESS PILOT:** In this pilot program, VA's Vocational Rehabilitation and Employment Service developed **partnerships** with **150 new FBCOs**. As a result, approximately **1,600 veterans** with service-connected disabilities have been **employed** by FBCOs.

**MEETING EDUCATIONAL NEEDS OF VETERANS:** VA provided benefits to approximately **539,000 total students** in 2008. Coupled with this increased demand, **operational improvements** were realized as new staff became more experienced. Compared to FY 2007, **claims** were completed more **quickly** and **accurately**. For example, **payment accuracy** improved by 1 percentage point from **95 percent** in FY 2007 to **96 percent** in FY 2008 – and for original education claims, timeliness improved from **32 days** to **19 days** to process a claim.

**Challenges**

**MANAGING THE EXPANSION OF EDUCATION BENEFITS:** VA faces the challenge of implementing provisions of Public Law 110-252, the Supplemental Appropriations Act, 2008. The new law expands education benefits and creates the need to establish a **new payment and claims processing system**. There will be a significant increase in **workload**, which will make it increasingly difficult to ensure performance targets continue to be met.



### Strategic Goal 3

#### HONORING, SERVING, AND MEMORIALIZING VETERANS

##### Most Important Achievements

**VA HOSPITAL REPORT CARD ISSUED TO CONGRESS:** VA issued its first comprehensive **Hospital Report Card** to Congress, including **analysis of disparities in quality of care** and **satisfaction**, demonstrating VA's commitment to **transparency and accountability** in health system performance.

**STRENGTHENED HEALTH CARE CREDENTIALING AND PRIVILEGING REQUIREMENTS:** VA strengthened its requirements for **credentialing and privileging licensed independent health care practitioners** to ensure **safe care** to veterans is delivered by appropriately qualified clinicians.

**HIGH CUSTOMER SATISFACTION WITH NATIONAL CEMETERIES:** VA's National Cemetery Administration once again received the **highest rating** awarded for customer satisfaction on the American Customer Satisfaction Index (ACSI). NCA scored 95 out of a possible 100 points, **scoring higher** than all 200-plus **Federal agencies** and **private corporations** and matching NCA's top ranked score on the 2004 survey.

**FUNDING NEW STATE VETERANS CEMETERIES:** In 2008, **4 new State veterans cemeteries** funded by VA's State Cemetery Grants Program began interment operations. These new cemeteries in Glennville, Georgia; Anderson, South Carolina; Des Moines, Iowa; and Williamstown, Kentucky will provide a burial option for approximately **200,000 veterans**.

**TIMELY HEADSTONE AND MARKER PROCESSING:** VA annually processes approximately **220,000 applications** for headstones and markers that mark the graves of veterans in cemeteries other than VA national cemeteries worldwide. In 2008, VA processed **95 percent of headstone and marker applications** within 20 days of the date of receipt. This is a dramatic **improvement** over 2007, when VA processed **38 percent** of applications within 20 days of receipt.

**COST EFFECTIVE FORECLOSURE AVOIDANCE:** VA achieved an "Efficiency-Foreclosure Avoidance Through Servicing (E-FATS)" ratio of 5.8. This means VA **avoided \$5.80** in potential claim payments **for every dollar spent** on assisting veterans who were at risk of losing their homes because of foreclosure. This figure has been impacted by the conversion of VA loan servicing to a new business environment and system.

**HELPING SEVERELY WOUNDED VETERANS:** In 2008, the **Traumatic Injury Protection Program**, which is designed to provide short-term financial assistance to severely injured members, paid **\$303 million** to more than **4,900** severely wounded servicemembers and veterans. VA also provided \$1.4 billion in life insurance coverage and benefits to severely injured veterans who have recently separated from service.

##### Challenges

**MEETING SERVICE EXPECTATIONS DURING EXPANSION:** VA has established **5 new national cemeteries** since 2005 with plans underway to establish **6 more in 2009**. This is the **largest expansion** of VA's system of national cemeteries **since the Civil War**. As VA opens these new cemeteries, it must continue to provide high-quality service in all of its contacts with veterans and their families -- particularly with respect to scheduling committal services, arranging and conducting interments, and providing cemetery information.

**IMPACT OF AN ECONOMIC DOWNTURN:** Any significant **downturn** in the national or local economies will likely **increase** the number of defaults and **foreclosures** of VA-guaranteed loans. The levels of **defaults**, foreclosures, and property acquisitions are related to **interest rates** and the economy in general, and are particularly sensitive to regional downturns.

**IMPROVING PROGRAM IMPLEMENTATION:** In 2008, VA completed a "**Year One Review**" of the Servicemembers' Group Life Insurance Traumatic Injury Protection Program (TSGLI) to assess how well it is fulfilling its Congressional intent of providing short-term financial assistance to severely injured members. Over the next year or so, as recommended by the review, program **enhancements** providing for expanded benefits such as payments for limb salvage, uniplegia, and facial reconstruction along with administrative efficiencies and improved claims assistance must be **implemented**.



## Strategic Goal 4

### CONTRIBUTING TO THE NATION'S WELL-BEING

#### Most Important Achievements

**VA RESEARCH SHOWS HOW EARLIER INTERVENTION COULD BENEFIT HIV PATIENTS:** Highly Active Antiretroviral Therapy (HAART) is the standard treatment for HIV infection. VA investigators identified human genes that may inform the decision of when to initiate HAART treatment for each patient. VA's research has shown that patients with a CCL3L1-CCR5 genotype would **benefit** from **earlier initiation** of therapy.

**ENABLING GAINFUL EMPLOYMENT AMONG THE SPINAL-CORD INJURED:** Using a comprehensive, innovative, intensive vocational intervention technique, VA has succeeded in **assisting veterans** with **spinal cord injury** to return to **gainful employment**. The program is being implemented in **five VA hospitals** throughout the Nation.

**PROVIDING RELIEF FOR PATIENTS WITH STABLE CORONARY DISEASE:** VA's Cooperative Studies Program conducted the **COURAGE** trial, which showed that patients with chronic coronary disease can obtain relief from angina if they are treated with Percutaneous Coronary Intervention (PCI) plus optimal medical therapy or with optimal medical therapy alone. PCI plus optimal medical therapy relieved angina and improved health status better than optimal medical therapy alone for about 24 months. PCI's benefit was greater in patients with more severe and frequent angina.

**INCREASING VA'S MEDICAL RESIDENTS COHORT:** VA's Graduate Medical Education (GME) Enhancement aims to increase VA's share of U.S. resident positions from its low of 8.5% to the range of 10-11%. The 5-year plan is designed to add approximately 2,000 positions to VA's pre-existing physician resident positions. In the first three years, VA added 967 residency positions to the base allocations of 72 VA facilities in 66 different specialty training programs.

**COMPLETED PROGRAM EVALUATION OF BURIAL PROGRAM:** An **independent** evaluation was completed to **assess** the extent to which VA's program of **burial benefits** has reached its stated **goals** and the **impact** that this program has had on the lives of veterans and their families. The information received from this evaluation, which included a nation-wide **survey** sent to more than **38,000** veterans, will help to guide future policy decisions for improving the ways in which VA serves the burial needs of veterans.

**NEW HUMAN RESOURCES CENTER ESTABLISHED:** In June 2008, VA established a new **centralized** Human Resources Center (HRC) devoted to meet the **staffing requirements** of VA's 131 national cemeteries, 5 Memorial Service Networks, and NCA's National Training Center. Previously, the burial program's field staffing needs were supported by local VHA and VBA field sites. Through the HRC, NCA has implemented new **automated HR procedures** and other process **improvements** that have increased the efficiency and cost effectiveness of NCA recruitment and workers compensation processes.

**HIGH SATISFACTION WITH CEMETERY APPEARANCE:** **Ninety-eight percent** of respondents to NCA's annual Survey of Satisfaction with National Cemeteries rated the appearance of national cemeteries as excellent. This is the **seventh consecutive year** that VA's national cemeteries have been rated at or above 97 percent in overall appearance by funeral home directors and family members of veterans interred in a national cemetery.

**SUPPORTING VETERAN-OWNED SMALL BUSINESSES:** In January 2008, pursuant to P.L. 109-46, the Veterans Benefits, Health Care, and Information Technology Act of 2006, the Secretary established first-ever procurement targets for **contracting** with Service-Disabled Veteran-Owned Small Businesses (SDVOSB) and Veteran-Owned Small Businesses (VOSB), respectively. The targets are **ambitious** with **5 percent** and **10 percent** of **procurement dollars** to be directed towards these entities. VA is **committed** to **supporting** veteran entrepreneurs.

**ENCOURAGING AND PROMOTING VETERAN ENTREPRENEURSHIP:** Since 2002, through **VetFran**, VA's Partnership with the **International Franchise Association**, more than 350 franchisors have created discounted franchise opportunities for more than 1,100 veterans. Leading the charge is Mike Ilitch, owner of **Little Caesar's Pizza**, who **waives the franchise fee** completely for disabled veterans and adds unique training support and other credits to encourage disabled veterans to operate his stores, a **\$68,000 savings** to the veteran.



**Strategic Goal 4, cont'd.**

**CONTRIBUTING TO THE NATION'S WELL-BEING**

**Most Important Achievements**

**CREATING PUBLIC-PRIVATE PARTNERSHIPS TO PROMOTE VETERANS EMPLOYMENT:** VA and Monster Government Solutions, Inc., began a partnership in July 2008 to help **veteran-owned businesses** quickly **locate** honorably-discharged **veterans** seeking employment by **matching data** from VA's **VetBiz.gov** Vendor Information Pages and Monster's database as an information conduit. VA executed a partnership with **Schneider National** to help veterans become **independent business owners**.

**APPLYING LESSONS LEARNED TO IMPROVE EMERGENCY RESPONSE:** As a result of **lessons learned** from **Hurricane Katrina** and numerous organizational changes in the area of emergency preparedness, the Department's **planning, response, and recovery** from **Hurricanes Gustav, Hanna, and Ike** was more effective. Specifically, VA deployed liaison officers to the National Operations Center, the National Response Coordination Center, and the Department of Health and Human Services.

**Challenges**

**MAINTAINING CEMETERY APPEARANCE:** VA must ensure that the appearance of national cemeteries meets the standards our Nation expects of its national shrines. To meet these standards and fulfill the National Shrine Commitment, VA needs to make **improvements** in the **appearance** of burial grounds and historic structures as well as conduct regular **maintenance** and **repair** projects at more than 800 facilities on over 17,000 acres of land contained within 156 cemeterial installations.

**FULLY IMPLEMENT NCA BUSINESS OFFICE:** Implementation of an **NCA Business Office** to provide **centralized** contracting, procurement, finance, and accounting support to national cemeteries will require coordination and involve numerous offices and functions.

**MONITOR USE OF VA'S VETBIZ.GOV VERIFICATION PROGRAM:** Examines ownership and control of **veteran-owned small businesses**, including service-disabled veteran-owned small businesses seeking Federal contracts at the prime or subcontract level. This program launched in May 2008. The challenge is to ensure that only eligible business concerns benefit from VA's unique "**Veterans First**" **buying authority**. A second principal objective is to ensure that government and corporate teams have a supplier base of competent, mission-ready businesses who meet their performance and pricing criteria.

**Enabling Goal**

**APPLYING SOUND BUSINESS PRINCIPLES**

**Most Important Achievements**

**INCREASE IN COLLECTIONS:** Total 2008 collections of **\$2.4B** through August 2008 represent a **42 percent increase in total collections from \$1.7B in FY 2004**. VA improved revenues by engaging leaders and stakeholders in collection planning, incorporating private-sector best practices, and using strategic and tactical initiatives for process improvement. Staff experts provided **direct intervention** with lower performing medical centers to develop plans and assist them in achieving their collection goals and establishing a data-driven approach to determining collections potential and improvements.

**PURCHASED (NON-VA) CARE:** Improved claims processing for processing claims from non-VA health care providers from **79 percent processed within 30 days to 90 percent processed within 30 days** – meeting the national goal.

**DECREASED IMPROPER PAYMENTS:** VA's error rate for accounts payables decreased from **5.00 percent** in 2007 to a rate of **1.28 percent** in 2008.

**NATIONAL SUMMIT ON WOMEN VETERANS ISSUES:** Attended by women veterans, active duty military personnel, Reserve and Guard members, and Federal, State, and local officials, the summit informed attendees of VA's initiatives on behalf of women veterans and women servicemembers. Participants had access to more than 45 exhibits, a health expo featuring health screenings and information, as well as a town hall forum with VA experts.



### Enabling Goal, cont'd.

#### APPLYING SOUND BUSINESS PRINCIPLES

##### Most Important Achievements

**CERTIFICATION AND ACCREDITATION OF INFORMATION SYSTEMS:** VA certified and accredited more than **600 major information systems**. Accreditation involves extensive testing to determine whether an information system should be allowed to operate. During this process, managers determine if sufficient controls are present or if identified vulnerabilities have been or will be reduced to acceptable levels to ensure that the confidentiality, integrity, and availability of veterans' data are adequately protected.

**SOCIAL SECURITY NUMBER (SSN) REDUCTION EFFORT:** Completion of this initiative brings VA into compliance with the Office of Management and Budget (OMB) mandate to reduce the use of SSNs in agencies' day-to-day management to **eliminate** the possibility of SSN data being used for **malicious** or **fraudulent** purposes.

**INCREASED NUMBER OF CERTIFIED PROJECT MANAGERS:** Increased the number of Level III certified project managers by 50 or 13 percent; about half of these managers obtained the **Professional Certification** from the Project Management Institute.

**ESTABLISHED CENTER FOR ACQUISITION INNOVATION (CAI) AND VA ACQUISITION ACADEMY:** In October 2007, VA established the CAI to be a center of excellence for acquisition operations. The CAI will house both an operational support center and the **VA Acquisition Academy**. CAI will provide training for acquisition interns to learn the federal acquisition process to prepare them for a career in the federal acquisition field.

**EXPEDITED INTAKE OF LEGAL RECONSIDERATIONS:** Developed a new standard operating procedure (SOP) to expedite the processing of new requests for legal reconsideration. The new SOP facilitates in-office tracking of claims by using scanner technology. The average amount of time spent in classifying and then assigning these reconsiderations decreased from 30 days to 10 days.

**INCREASING AWARENESS AND APPRECIATION OF VETERANS ACROSS AMERICA:** VA, through various public affairs and outreach activities, designed Veterans Day educational resources and distributed them to principals at up to **118,000 schools nationwide**. These tools will help educators teach students about veterans and their role in shaping our Nation's history. In addition, VA supported 33 regional Veterans Day observances scheduled to take place in 20 different states in November 2008. Additionally, VA planned and coordinated the 2008 National Veterans Day Observance at Arlington National Cemetery.

##### Challenges

**REMEDICATION OF INFORMATION TECHNOLOGY SECURITY CONTROLS MATERIAL WEAKNESS:** For several years, Office of Inspector General (OIG) audits have identified Information Technology (IT) security controls as a material weakness – primarily due to the lack of a centralized IT infrastructure. VA has now centralized its IT operations and management and has established an enterprise-wide information security program to help ensure timely and successful remediation of this material weakness.

**IMPLEMENT A ROBUST EARNED VALUE MANAGEMENT SYSTEM (EVMS):** VA is working to achieve full American National Standards Institute compliance on 100 percent of its systems development projects. EVMS allows leadership to track cost and scheduling variances, providing snapshots and trends that are valuable in determining whether a project is or is not within tolerable boundaries.

**UPCOMING ATTORNEY RETIREMENTS:** Five of the six senior attorneys in the torts group are currently **eligible for retirement**. Given the difficulty finding experienced attorneys with extensive medical legal knowledge, negotiating skills, and ability to successfully interact with a variety of clients and customers, these departures will challenge both overall productivity and unit cohesion.