



Strategic Goal Three

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

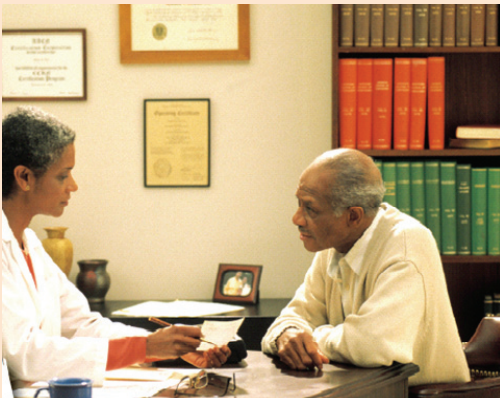
STRATEGIC OBJECTIVE 3.1

Delivering Health Care

Provide high-quality, reliable, accessible, timely, and efficient health care that maximizes the health and functional status of enrolled veterans, with special focus on veterans with service-connected conditions, those unable to defray the costs, and those statutorily eligible for care.

Making a Difference for the Veteran

VA Promoting Healthy Lifestyles



“VA’s patients should consider themselves partners with our health professionals in managing their own care,” said Dr. James B. Peake, Secretary of Veterans Affairs. “They need to ensure they eat right, exercise regularly, and stay on the move.”

With more than 70 percent of patients coming to the Department of Veterans Affairs (VA) for health care found to be overweight, VA is boosting its efforts to increase veterans’ fitness through exercise, good nutrition, and healthy lifestyles.

“VA’s patients should consider themselves partners with our health professionals in managing their own care,” said Dr. James B. Peake, Secretary of Veterans Affairs. “They need to ensure they eat right, exercise regularly, and stay on the move.”

MOVE, in fact, is the name for a VA program at each of the Department’s 153 medical centers in which veterans have their body fat measured and receive “prescriptions” for exercises and nutrition.

VA officials say the need for fitness is clear. Not only do its veteran patients have a higher rate of obesity than the rest of the country’s population, but 20 percent of VA patients also have diabetes, a rate almost 3 times higher than other Americans.

Under VA’s MOVE program, diabetic patients get regular screenings of blood sugar levels and other problem areas. Patients can complete a questionnaire about their lifestyle and vital signs that gives doctors information about how to best support patients’ efforts to improve their lifestyles.

Veterans and VA employees are eligible to take part in a “Champions Challenge” by committing themselves to walk 100 miles in 100 days.

MOVE and the “Champions Challenge” are part of a broader VA program called HealthierUS Veterans. A joint project between VA and the Department of Health and Human Services, HealthierUS Veterans educates veterans and their families about the risks of obesity and diabetes, and encourages them to eat healthy, stay active, and get fit for life.

For more information about VA’s MOVE program, visit the [Web](http://www.move.va.gov/) site at www.move.va.gov/.

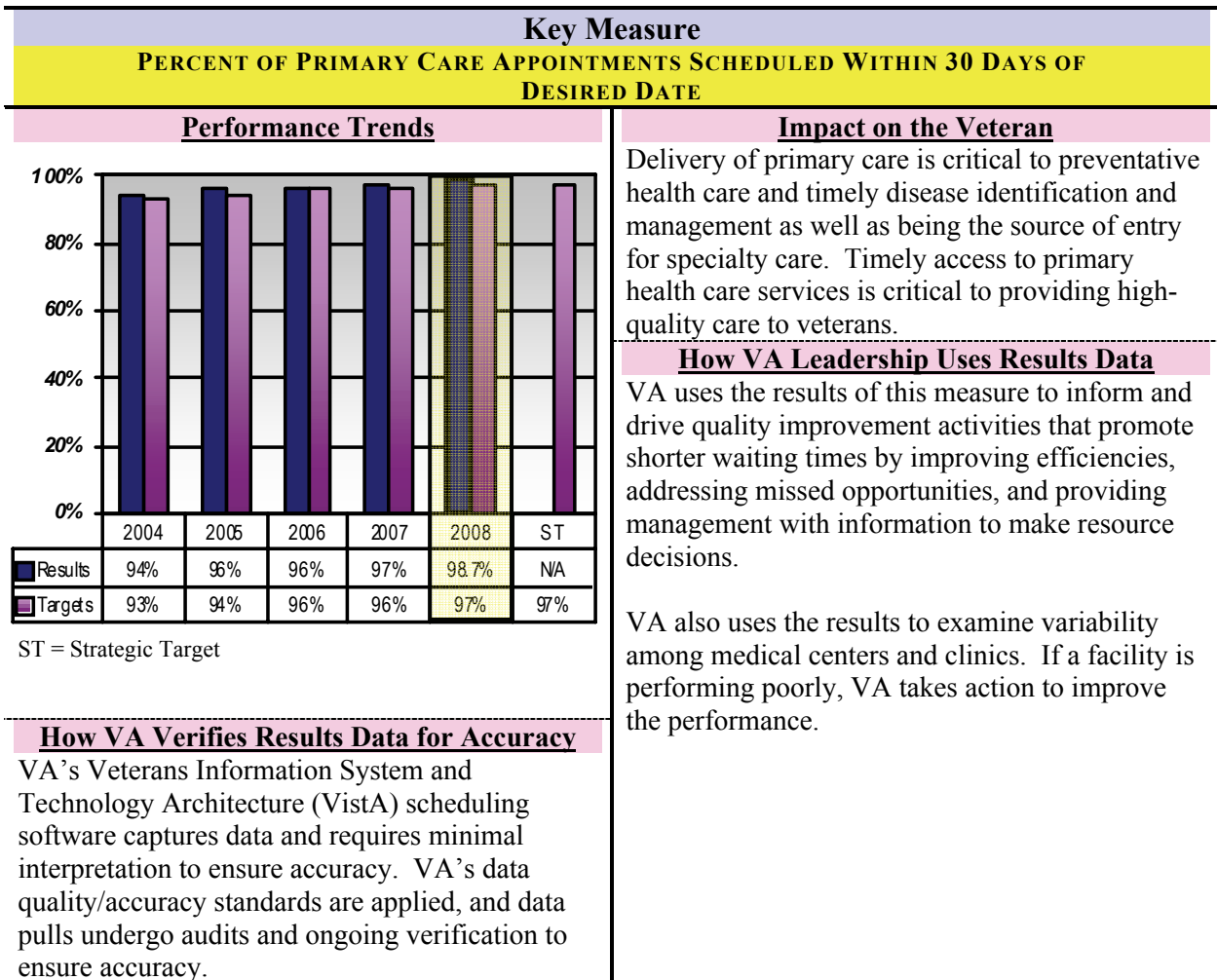


Significant Trends, Impacts, and VA's Use and Verification of FY 2008 Results

Key Measure																						
CLINICAL PRACTICE GUIDELINES INDEX II																						
Performance Trends	Impact on the Veteran																					
<table border="1"> <thead> <tr> <th></th> <th>2004</th> <th>2005</th> <th>2006</th> <th>2007</th> <th>2008</th> <th>ST</th> </tr> </thead> <tbody> <tr> <td>Results</td> <td>77%</td> <td>87%</td> <td>83%</td> <td>83%</td> <td>84%</td> <td>N/A</td> </tr> <tr> <td>Targets</td> <td>70%</td> <td>77%</td> <td>77%</td> <td>84%</td> <td>85%</td> <td>87%</td> </tr> </tbody> </table>		2004	2005	2006	2007	2008	ST	Results	77%	87%	83%	83%	84%	N/A	Targets	70%	77%	77%	84%	85%	87%	<p>This measure targets promotion of early identification and treatment of potentially disabling and/or deadly diseases such as acute cardiac diseases, hypertension, diabetes, major depressive disorder, and schizophrenia, as well as tobacco use cessation. VA uses this measure to assess the quality of health care being delivered to its patients in accordance with industry standards.</p> <p style="background-color: #fce4d6;">How VA Leadership Uses Results Data</p> <p>Early identification and intervention of acute and potentially disabling chronic diseases enable VA to target education, disease management, and care access to prevent and/or limit the effects of potentially disabling diseases and improve the quality of life for the veteran.</p>
	2004	2005	2006	2007	2008	ST																
Results	77%	87%	83%	83%	84%	N/A																
Targets	70%	77%	77%	84%	85%	87%																
<p>(1) Actual data through 07/2008. Final data are expected in 12/2008. (2) The 2004 and 2005 results are for CPGI I. The 2006, 2007, and 2008 results are CPGI II. In FY 2009, VHA is transitioning to CPGI III. (3) ST = Strategic Target</p>																						
<p>How VA Verifies Results Data for Accuracy</p> <p>VA is committed to data accuracy for reporting on the clinical quality of care. Sampling of the patient population for evaluation of the quality of care indicators for the Clinical Practice Guidelines Index (CPGI) and the Prevention Index (PI) are done through a standardized sampling framework by a statistician. Data are abstracted through trained, 3rd party, contracted staff (External Peer Review Program) who reviews the medical record for the quality metrics VA tracks.</p>																						



Key Measure																											
PREVENTION INDEX III																											
Performance Trends					Impact on the Veteran																						
<table border="1"> <thead> <tr> <th>Year</th> <th>Results</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>88%</td> <td>82%</td> </tr> <tr> <td>2005</td> <td>90%</td> <td>88%</td> </tr> <tr> <td>2006</td> <td>88%</td> <td>88%</td> </tr> <tr> <td>2007</td> <td>88%</td> <td>88%</td> </tr> <tr> <td>2008</td> <td>88%</td> <td>88%</td> </tr> <tr> <td>ST</td> <td>N/A</td> <td>88%</td> </tr> </tbody> </table>							Year	Results	Targets	2004	88%	82%	2005	90%	88%	2006	88%	88%	2007	88%	88%	2008	88%	88%	ST	N/A	88%
Year	Results	Targets																									
2004	88%	82%																									
2005	90%	88%																									
2006	88%	88%																									
2007	88%	88%																									
2008	88%	88%																									
ST	N/A	88%																									
<p>(1) Actual data through 07/2008. Final data are expected in 12/2008. (2) The 2004 and 2005 results are for PI II. The 2006, 2007, and 2008 results are PI III. In FY 2009, VHA is transitioning to PI IV. (3) ST = Strategic Target</p>					<p>How VA Leadership Uses Results Data</p> <p>Early identification and intervention for risky behaviors and disease risk enable VA to target education, immunization programs, and clinic access to prevent and/or limit potential disabilities resulting from these activities and/or diseases. VA targets all outpatients for its prevention measures. VA targets the inpatient population for education on disease-specific care such as discharge instructions for the congestive heart failure patient and the need for immunizations for patients with pneumonia.</p>																						
<p>How VA Verifies Results Data for Accuracy</p> <p>VA is committed to data accuracy for reporting on the clinical quality of care. Sampling of the patient population for evaluation of the quality of care indicators for the Clinical Practice Guidelines Index (CPGI) and the Prevention Index (PI) are done through a standardized sampling framework by a statistician. Data are abstracted through trained, 3rd party, contracted staff (External Peer Review Program) who reviews the medical record for the quality metrics VA tracks.</p>																											





Key Measure						
PERCENT OF SPECIALTY CARE APPOINTMENTS SCHEDULED WITHIN 30 DAYS OF DESIRED DATE						
Performance Trends					Impact on the Veteran	
<p>Specialty care appointments are the vehicle by which VA treats veterans with diseases and disabilities requiring specialized medical, rehabilitation, surgical, or other unique resources. Timely access to VA medical staff and facilities is therefore critical to those veterans in need of specialty care.</p>						
<p>How VA Leadership Uses Results Data</p> <p>VA uses the results of this measure to inform and drive quality improvement activities that promote shorter waiting times by improving efficiencies, addressing missed opportunities, and providing management with information to make resource decisions.</p>						
<p>VA also uses the results to examine variability among medical centers and clinics. If a facility is performing poorly, VA takes action to improve performance.</p>						
<p>How VA Verifies Results Data for Accuracy</p> <p>VA's Veterans Information System and Technology Architecture (VistA) scheduling software captures data and requires minimal interpretation to ensure accuracy. VA's data quality/accuracy standards are applied, and data pulls undergo audits and ongoing verification to ensure accuracy.</p>						

ST = Strategic Target



Key Measure																											
PERCENT OF PATIENTS RATING VA INPATIENT SERVICE AS "VERY GOOD" OR "EXCELLENT"																											
Performance Trends				Impact on the Veteran																							
<table border="1"> <tr> <td></td> <td>2004</td> <td>2005</td> <td>2006</td> <td>2007</td> <td>2008</td> <td>ST</td> </tr> <tr> <td>Results</td> <td>74%</td> <td>77%</td> <td>78%</td> <td>78%</td> <td>79%</td> <td>N/A</td> </tr> <tr> <td>Targets</td> <td>70%</td> <td>74%</td> <td>74%</td> <td>78%</td> <td>79%</td> <td>81%</td> </tr> </table>								2004	2005	2006	2007	2008	ST	Results	74%	77%	78%	78%	79%	N/A	Targets	70%	74%	74%	78%	79%	81%
	2004	2005	2006	2007	2008	ST																					
Results	74%	77%	78%	78%	79%	N/A																					
Targets	70%	74%	74%	78%	79%	81%																					
<p>Veterans are entitled to health care that includes emotional support, education, shared decision-making, safe environments, family involvement, respect, and management of pain and discomfort. The veteran's level of overall satisfaction is impacted by the extent to which his or her needs are met.</p> <p>Satisfaction is a key indicator of how well VA rises to these expectations. This measure addresses how well these expectations are met in the <i>inpatient</i> setting.</p>																											
<p>How VA Leadership Uses Results Data</p> <p>VA leadership targets improvement efforts on areas and/or facilities where scores are less than "very good." Facilities that achieve high scores serve as models and mentors for lower-scoring facilities.</p>																											
<p>How VA Verifies Results Data for Accuracy</p> <p>Data are collected through the VA-issued Survey of Healthcare Experiences of Patients (SHEP) survey. Information gathered measures veterans' perceptions of VA health care.</p> <p>The SHEP survey is administered using a standardized, documented, consistent methodology. Patients are randomly selected for inclusion in the SHEP sample from the population of eligible patients each month. Results are weighted to accurately account for population size differences across the system and varying rates of non-response to the survey.</p>																											

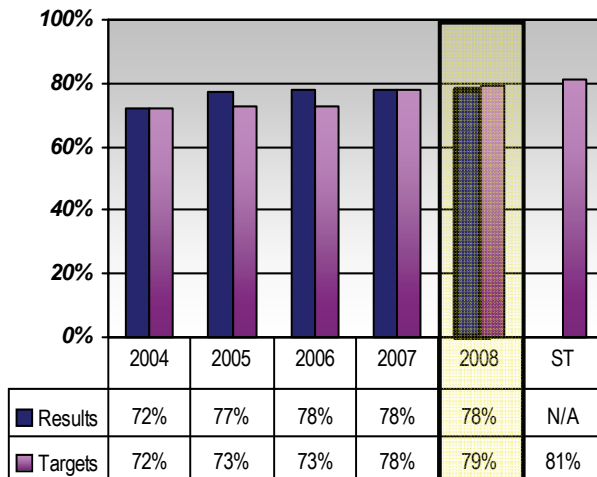
(1) Actual data through 07/2008. Final data are expected in 12/2008.
 (2) ST = Strategic Target



Key Measure

PERCENT OF PATIENTS RATING VA OUTPATIENT SERVICE AS “VERY GOOD” OR “EXCELLENT”

Performance Trends



- (1) Actual data through 07/2008. Final data are expected in 12/2008.
- (2) ST = Strategic Target

How VA Verifies Results Data for Accuracy

Data are collected through the VA-issued Survey of Healthcare Experiences of Patients (SHEP) survey. Information gathered measures veterans’ perceptions of VA health care.

The SHEP survey is administered using a standardized, documented, consistent methodology. Patients are randomly selected for inclusion in the SHEP sample from the population of eligible patients each month. Results are weighted to accurately account for population size differences across the system and varying rates of non-response to the survey.

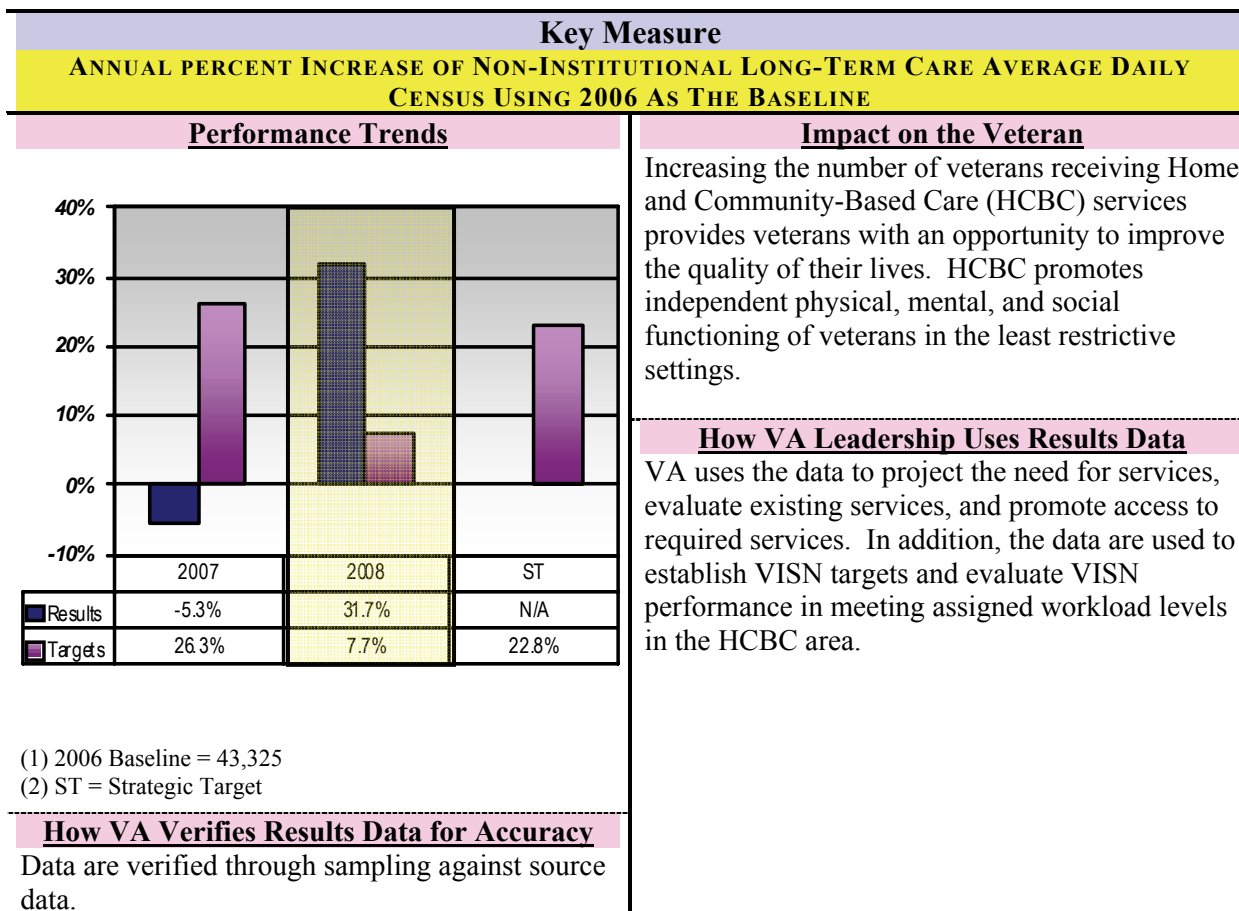
Impact on the Veteran

Veterans are entitled to health care that includes emotional support, education, shared decision-making, safe environments, family involvement, respect, and management of pain and discomfort. The veteran’s level of overall satisfaction is impacted by the extent to which his or her needs are met.

Satisfaction is a key indicator of how well VA rises to these expectations. This measure addresses how well these expectations are met in the *outpatient* setting.

How VA Leadership Uses Results Data

VA leadership targets improvement efforts on areas where scores are less than “very good.” Facilities that achieve high scores serve as models and mentors for lower-scoring facilities. These improvement efforts may target any part of the facility from programs to individual clinics.



(1) 2006 Baseline = 43,325
 (2) ST = Strategic Target

Additional Performance Information for Strategic Objective 3.1

OIG Major Management Challenges

- Quality of Health Care (see page 256 for more details)
- New and Significantly-Increased Health Problems Associated with OEF/OIF (see page 266 for more details)

GAO High-Risk Areas

The Government Accountability Office did not identify any high-risk areas related to this objective.

Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Medical Care program during CY 2003, which resulted in a rating of "Adequate." Please see OMB PART reviews on page 79 for more information.

Program Evaluations

A program evaluation of VA's oncology program is being conducted by Abt Associates in conjunction with Harvard Medical School. It was begun in 2005 and will be completed in 2010.



Given the complexity and unique nature of the different types of cancer, the scope of the study is limited to a subset of six oncologies which represent either the highest prevalence or special populations: lung, colorectal, prostate, myeloma, non-Hodgkins lymphoma, and breast cancer. **These six cancers account for about 73 percent of the 42,000 newly-diagnosed cancer cases in VA each year.**

The evaluation examines the quality of care for veteran patients and their clinical outcomes, as well as questions on access, availability and utilization of services, pain and end-of-life management, the use of pharmaceuticals and clinical trials, cancer care capabilities within each medical center, and cost. In 2008 VA received two of the six cancer data sets, which included the performance indicators. The indicators are developed and vetted by cancer experts. We have received the measures of performance for colon, prostate, and lung cancers so far. We expect to receive them for breast and hematologic cancers, symptom management, and end-of-life care later in 2009.

VHA will implement Colorectal Cancer measures in the External Peer Review Program. They provide objective, specific measures to evaluate quality care by VA practitioners; they are also used to evaluate network directors' performance. Additional deliverables are reports on VISN comparisons for colorectal cancer that will give us concrete information on such things as mortality and morbidity, cancer services, and patient outcomes. These will allow us to address any recommendations to improve outcomes and services.

New Policies, Procedures, or Process Improvements

VA has mandated that all OEF/OIF veterans who come to VA for care are screened for TBI. Screening policy and procedures have been defined in a VA directive.

OEF/OIF TBI screening is done through a clinical reminder and rolls up nationally. This provides information on all patients who qualify

to be screened and identifies the patients requiring follow-up.

Veterans with positive screens are offered timely follow-up evaluations by providers with training and expertise in TBI evaluation and care. In addition, an algorithm for the management of TBI symptoms has been developed by VA experts and disseminated nationally to veterans and their families as well as to providers.

Other Important Results

Performance measurement data are collected on several domains of care on a quarterly basis. These domains include mental health, prevention/health promotion, access to timely care, health care measures for OEF/OIF, and inpatient care. Medical care experts then analyze the data to provide information to the system on these key areas. The analysis includes an examination of quality of care by gender, as well as care for specific populations such as spinal cord injury and disease-specific care. Our aim is to improve the quality of care for our veterans.

Data Verification and Measure Validation

More details on data verification and measure validation for the key measures that support this objective is provided in the Key Measures Data Table on pages 230-233.



Complete Listing of Measures Supporting Strategic Objective 3.1

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target										
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets											
Strategic Goal 3: Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.																	
							<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Recap</td> </tr> <tr> <td style="padding: 2px 5px;">Green</td> <td style="text-align: right; padding: 2px 5px;">6</td> </tr> <tr> <td style="padding: 2px 5px;">Yellow</td> <td style="text-align: right; padding: 2px 5px;">4</td> </tr> <tr> <td style="padding: 2px 5px;">Red</td> <td style="text-align: right; padding: 2px 5px;">0</td> </tr> <tr style="border-top: 1px solid black;"> <td style="padding: 2px 5px;">Total</td> <td style="text-align: right; padding: 2px 5px;">10</td> </tr> </table>	Recap		Green	6	Yellow	4	Red	0	Total	10
Recap																	
Green	6																
Yellow	4																
Red	0																
Total	10																

Objective 3.1: Provide high-quality, reliable, accessible, timely, and efficient health care that maximizes the health and functional status of enrolled veterans, with special focus on veterans with service-connected conditions, those unable to defray the costs, and those statutorily eligible for care.

Percent of patients rating VA health care service as very good or excellent:							
Inpatient (through July)	74%	77%	78%	78%	* 79% G	79%	81%
Outpatient (through July)	72%	77%	78%	78%	* 78% Y	79%	81%
Percent of primary care appointments scheduled within 30 days of desired date	94%	96%	96%	97%	98.7% G	97%	97%
Percent of specialty care appointments scheduled within 30 days of desired date	93%	93%	94%	95%	97.5% G	95%	96%
Percent of new patient appointments completed within 30 days of desired date	N/A	N/A	N/A	N/A	Baseline	Baseline	95%
Percent of unique patients waiting more than 30 days beyond the desired appointment date	N/A	N/A	N/A	N/A	Baseline	Baseline	10%
Clinical Practice Guidelines Index II (through July) <small>The 2004 and 2005 results are for CPGII. The 2006, 2007, and 2008 results are CPGI II. In FY 2009, VHA is transitioning to CPGI III.</small>	77%	87%	83%	83%	* 84% Y	85%	87%
Prevention Index III (through July) <small>The 2004 and 2005 results are for PI II. The 2006, 2007, and 2008 results are PI III. In FY 2009, VHA is transitioning to PI IV.</small>	88%	90%	88%	88%	* 88% G	88%	88%
Annual percent increase of non-institutional, long-term care average daily census using 2006 as the baseline (1) Baseline = 43,325	N/A	N/A	(1) Baseline	-5.3%	31.7% G	7.7%	22.8%
Number of new enrollees waiting to be scheduled for their first appointment (electronic waiting list) (Estimate) (1) Corrected	N/A	N/A	(1) 3,700	127	* 96 G	<200	<200
Percent of patients who report being seen within 20 minutes of scheduled appointments at VA health care facilities (through July)	69%	73%	74%	74%	* 76% Y	80%	90%
Percent of Admission notes by surgical residents that have a note from attending physician within one day of hospital admission to a surgery bed service	N/A	75%	86%	89%	89% Y	95%	95%

* These are partial or estimated data; final data will be published in the FY 2010 Congressional Budget and/or the FY 2009 Performance and Accountability Report.



STRATEGIC OBJECTIVE 3.2

Decisions on Pension Claims

Provide eligible veterans and their survivors a level of income that raises their standard of living and sense of dignity by processing pension claims in a timely and accurate manner.

Making a Difference for the Veteran

VA Improves Pension Processing Through Consolidation



Pictured above is the Milwaukee Regional Office which houses one of VBA's Pension Management Centers.

In September 2008, the Veterans Benefits Administration (VBA) completed consolidation of original pension claims for veterans and survivors from 57 regional offices to three Pension Management Centers (PMCs) located in Philadelphia, Pennsylvania, St. Paul, Minnesota, and Milwaukee, Wisconsin. Pension benefits provide monthly payments to income-eligible wartime veterans at age 65 or over or to those who are permanently and totally disabled. Additionally, the pension program provides monthly payments to income-eligible surviving spouses and dependent children of deceased wartime veterans who die as a result of a disability unrelated to military service.

VBA began its pension consolidation efforts in January 2002 when pension maintenance work was transferred from regional offices to the PMCs with three main tasks: 1) process annual Eligibility Verification Reports, 2) conduct integrity/matching programs, and 3) issue income maintenance awards. With the latest consolidation, the PMCs now have assumed the responsibility of processing all aspects of pension claims.

VBA demonstrated improved accuracy and oversight following the consolidation of pension maintenance work. The goal of this consolidation is to further improve accuracy, timeliness, and administration of benefits and services for all of our needs-based programs.

For more information, go to [Web: www.vba.va.gov/bln/21/pension/index.htm](http://www.vba.va.gov/bln/21/pension/index.htm) or call 1-877-294-6380.



Significant Trends, Impacts, Use and Verification of FY 2008 Results

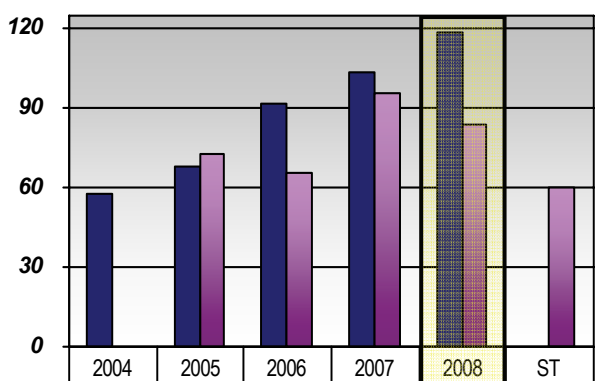
Key Measure																								
AVERAGE DAYS TO PROCESS COMPENSATION AND PENSION RATING-RELATED ACTIONS																								
Performance Trends				Impact on the Veteran																				
<table border="1"> <tr> <td>2004</td> <td>2005</td> <td>2006</td> <td>2007</td> <td>2008</td> <td>ST</td> </tr> <tr> <td>166</td> <td>167</td> <td>177</td> <td>183</td> <td>179</td> <td>N/A</td> </tr> <tr> <td>145</td> <td>145</td> <td>185</td> <td>160</td> <td>169</td> <td>125</td> </tr> </table>				2004	2005	2006	2007	2008	ST	166	167	177	183	179	N/A	145	145	185	160	169	125	<p>The average length of time it takes to process claims for compensation or pension has decreased by 4 days from 183 days in 2007 to 179 days in 2008. For the veteran, this is a slight improvement over last year's results and it means that on average they are waiting slightly less time for a compensation or pension claim decision.</p>		
2004	2005	2006	2007	2008	ST																			
166	167	177	183	179	N/A																			
145	145	185	160	169	125																			
				How VA Leadership Uses Results Data																				
				<p>To improve the average days to process, VA hired nearly 2,000 new employees in 2008. As these new employees are trained and gain experience, they will help reduce processing time. In addition, consolidation of original and reopened disability and death pension claims to the three Pension Management Centers (PMCs), which began in May 2008, was completed in September 2008. Survivors benefit claims and dual claims (having both compensation and pension issues) will be consolidated to the three PMCs in FY 2009. This increases the resources dedicated to disability claims processing.</p>																				
How VA Verifies Results Data for Accuracy																								
<p>Data extracted from VBA systems of record (that is, Benefits Delivery Network and VETSNET) are captured electronically through a fully automated reporting process and imported into an enterprise data warehouse.</p> <p>VBA's Performance Analysis & Integrity (PA&I) staff assesses the data on a monthly basis to detect discrepancies that would indicate an error in the automated data collection system. This review by PA&I staff and leadership ensures accurate reporting, consistency, and absence of anomalies. All reports produced from the enterprise data warehouse were developed using business rules provided by each of VBA's business lines.</p>																								

ST = Strategic Target



Key Measure
AVERAGE DAYS TO PROCESS NON-RATING PENSION ACTIONS

Performance Trends



	2004	2005	2006	2007	2008	ST
■ Results	58	68	92	104	119	N/A
■ Targets	Baselined	73	66	96	84	60

ST = Strategic Target

How VA Verifies Results Data for Accuracy

Data extracted from VBA systems of record (that is, Benefits Delivery Network and VETSNET) are captured electronically through a fully automated reporting process and imported into an enterprise data warehouse.

VBA’s Performance Analysis & Integrity (PA&I) staff assesses the data on a monthly basis to detect discrepancies that would indicate an error in the automated data collection system. This review by PA&I staff and leadership ensures accurate reporting, consistency, and absence of anomalies. All reports produced from the enterprise data warehouse were developed using business rules provided by each of VBA’s business lines.

Impact on the Veteran

The average time to process non-rating pension actions in 2008 grew to 119 days, an increase of 15 days since 2007. This increase occurred as VA hired and trained new employees to handle the increased workload at the three Pension Management Centers (PMCs).

Training took time and resources away from claims processing and adjudication work. However, once new employees are fully trained, processing times will decrease.

How VA Leadership Uses Results Data

To address declining performance, VA consolidated the processing of original and reopened disability and death pension claims to the three Pension Management Centers (PMCs) in 2008.

Survivors benefit claims and dual claims (having both compensation and pension issues) will also be consolidated to the three PMCs in 2009. The consolidation strategy will increase resources dedicated to disability claims processing.



Key Measure																								
NATIONAL ACCURACY RATE FOR PENSION AUTHORIZATION WORK																								
Performance Trends				Impact on the Veteran																				
<table border="1"> <thead> <tr> <th>Year</th> <th>Results</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>84%</td> <td>Baselined</td> </tr> <tr> <td>2005</td> <td>86%</td> <td>84%</td> </tr> <tr> <td>2006</td> <td>88%</td> <td>88%</td> </tr> <tr> <td>2007</td> <td>91%</td> <td>89%</td> </tr> <tr> <td>2008</td> <td>92%</td> <td>92%</td> </tr> </tbody> </table>				Year	Results	Targets	2004	84%	Baselined	2005	86%	84%	2006	88%	88%	2007	91%	89%	2008	92%	92%	<p>Despite increased workload, VA has continued to improve the accuracy of non-rating pension work, thereby ensuring that those veterans most in need of financial resources receive the maximum benefit payable.</p>		
Year	Results	Targets																						
2004	84%	Baselined																						
2005	86%	84%																						
2006	88%	88%																						
2007	91%	89%																						
2008	92%	92%																						
				How VA Leadership Uses Results Data																				
				<p>VA leadership uses technical accuracy reviews to identify areas where specialized training is needed on either a local or national level.</p>																				
				<p>Leadership has expanded use of the C&P STAR quality staff to do more sampling and analysis of claims decisions.</p>																				
				<p>With a greater number of pension-specific cases being reviewed by STAR quality staff, there is greater opportunity to provide feedback to the field, which has positive and immediate effects on accuracy.</p>																				
				How VA Verifies Results Data for Accuracy																				
				<p>Data are analyzed weekly and results are tabulated monthly and annually by the STAR quality staff. The information is entered manually into a nationalized database, which is reviewed on a monthly basis and provided to field stations for additional feedback. C&P STAR quality staff conducts claims processing accuracy reviews monthly for a random sample of cases from regional offices.</p>																				

(1) Actual data through 07/2008. Final data are expected in 12/2008.
 (2) ST = Strategic Target

Additional Performance Information for Strategic Objective 3.2

OIG Major Management Challenges

- Workload (see page 274 for more details)
- Quality (see page 276 for more details)
- Staffing (see page 278 for more details)
- Benefits Delivery Network System Records (see page 287 for more details)

GAO High-Risk Areas

- Modernizing Federal Disability Programs (see page 307 for more details)



Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Pension program during CY 2005, which resulted in a rating of "Adequate." Please see OMB PART reviews on page 81 for more information.

Program Evaluations

No independent program evaluations have been conducted recently that specifically address this objective.

New Policies, Procedures, or Process Improvements

VA expanded the STAR quality staff to perform routine quarterly monitoring of the most commonly rated disabilities in January 2008.

VA began a Disability Evaluation System (DES) pilot in the national capital region in cooperation with DoD for active duty persons entering the Physical Evaluation Board process in November 2007.

Benefits Delivery at Discharge centers began processing claims in a paperless environment in August 2008.

VA completed a pilot project of consistency reviews focused on individual unemployability decisions from a regional office identified as a statistical outlier.

VA continued improvement of exam worksheets, templates, and template-generated exam reports based on technical enhancements and field input. A satellite broadcast on improving quality of exam requests aired in early 2008.

The Department drafted rulemaking to update the following portions of the VA Schedule for Rating Disabilities:

- Organs of Special Sense (the eye)
- Neurological Conditions and Convulsive Disorders
- Evaluation of Scars

In February 2008, VA contracted with Economic Systems, Inc., to conduct studies and provide recommendations regarding Long-Term Transition Payments, Quality of Life (QOL) Benefit Payments, and Earnings Loss Payments in the VA compensation structure.

VA continued consolidation efforts such as the following:

- Began consolidation of customer service calls to nine National Call Centers in November 2007, which is scheduled to be completed in 2009.
- Established a fiduciary hub pilot, consolidating fiduciary activities to one site in August 2008.
- Began consolidation of original and reopened disability and death pension claims to the three Pension Management Centers in May 2008. This was completed in September 2008.

Data Verification and Measure Validation

More details on data verification and quality and measure validation for the key measures that support this objective are provided in the Key Measures Data Table on page 232.



Complete Listing of Measures Supporting Strategic Objective 3.2

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets	
Strategic Goal 3: Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.							

Recap

Green	3
Yellow	1
Red	4
Total	8

Objective 3.2: Provide eligible veterans and their survivors a level of income that raises their standard of living and sense of dignity by processing pension claims in a timely and accurate manner.

Non-rating pension actions - average days to process	58	68	92	104	119 R	84	60
National accuracy rate (authorization pension work) % (through July)	84%	86%	88%	91%	* 92% G	92%	98%
Compensation & Pension rating-related actions - average days to process	166	167	177	183	179 R	169	125
National accuracy rate (core rating-related pension work) % (through July)	93%	90%	90%	91%	* 88% R	93%	98%
Rating-related pension actions - average days pending	77	83	90	89	87 G	90	65
Overall satisfaction rate % (Pension)	66%	65%	(1) N/A	(1) N/A	(1) N/A	71%	90%
Percent of pension recipients who were informed of the full range of available benefits	40%	41%	(1) N/A	(1) N/A	(1) N/A	45%	60%
Percent of pension recipients who said their claim determination was very or somewhat fair	64%	65%	(1) N/A	(1) N/A	(1) N/A	70%	75%
Percent of pension recipients who believe that the processing of their claim reflects the courtesy, compassion, and respect due to a veteran	N/A	78%	(1) N/A	(1) N/A	(1) N/A	82%	95%
National accuracy rate (Fiduciary work) % (Compensation & Pension) (through July)	81%	85%	83%	84%	* 82% Y	85%	98%
Appeals resolution time (Number of Days) (Joint Compensation and Pension measure with BVA) (a) 2008 and Strategic Targets established by BVA	529	622	657	660	645 G	(a) 700	(a) 675
Productivity Index % (Compensation and Pension)	N/A	N/A	90%	88%	79% R	90%	100%

(1) No customer satisfaction survey was performed for 2006-2008. VBA anticipates that a survey office will be in place in 2009 and that the first survey will be conducted in 2010 for 2009.

* These are partial or estimated data; final data will be published in the FY 2010 Congressional Budget and/or the FY 2009 Performance and Accountability Report.



STRATEGIC OBJECTIVE 3.3

Providing Insurance Service

Maintain a high level of service to insurance policyholders and their beneficiaries to enhance the financial security of veterans' families.

Making a Difference for the Veteran

VA Reduces SGLI and VGLI Premium Rates



The reduction in premiums makes VA life insurance even more affordable for today's men and women in uniform.

On July 1, premiums decreased for veterans and military personnel with life insurance policies managed by VA, thanks to improved investment earnings and a reduction in non-combat claims.

The premium cuts affect military personnel covered by Servicemembers' Group Life Insurance (SGLI) and veterans covered by Veterans' Group Life Insurance (VGLI).

"The reduction in SGLI premiums makes life insurance even more affordable for today's men and women in uniform," said Secretary of Veterans Affairs Dr. James B. Peake. "Lower VGLI premiums will allow more veterans to provide this low-cost financial security to their families. With servicemembers putting their lives at risk against terrorism, life insurance coverage is more important than ever."

To obtain more information about the SGLI and VGLI premium reductions or to view a table with the new VGLI rates, visit the VA insurance [Web](#) site at www.insurance.va.gov, or call the Office of Servicemembers' Group Life Insurance at 1-800-419-1473.



Significant Trends, Impacts, Use and Verification of FY 2008 Results

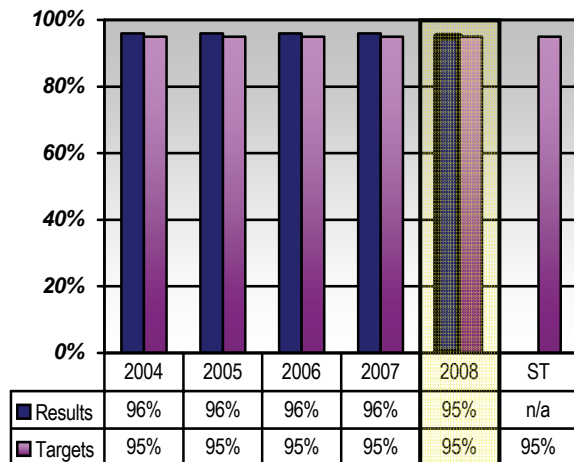
Key Measure																			
AVERAGE NUMBER OF DAYS TO PROCESS TRAUMATIC INJURY PROTECTION SERVICEMEMBERS' LIFE INSURANCE (TSGLI) DISBURSEMENTS																			
Performance Trends			Impact on the Veteran																
<table border="1"> <tr> <td></td> <td>2006</td> <td>2007</td> <td>2008</td> <td>ST</td> </tr> <tr> <td>■ Results</td> <td>3.8</td> <td>3.0</td> <td>2.5</td> <td>N/A</td> </tr> <tr> <td>■ Targets</td> <td>Baselined</td> <td>5</td> <td>5</td> <td>5</td> </tr> </table>						2006	2007	2008	ST	■ Results	3.8	3.0	2.5	N/A	■ Targets	Baselined	5	5	5
	2006	2007	2008	ST															
■ Results	3.8	3.0	2.5	N/A															
■ Targets	Baselined	5	5	5															
<p>ST = Strategic Target</p>			<p>The purpose of the TSGLI program is to provide short-term financial assistance to traumatically injured servicemembers so that their families can be with them during the often extensive recovery and rehabilitation process. For example, servicemembers use this financial assistance to assist their families in making up for lost earnings, continuing to make home loan payments, and providing child care. This program is important because a number of studies have shown that the presence or close proximity of family members aids the rehabilitation process.</p> <p>This measure in particular indicates how quickly VA is able to make payment to the TSGLI beneficiary.</p>																
<p>How VA Verifies Results Data for Accuracy The Office of Servicemembers' Group Life Insurance (OSGLI) compiles the data monthly in accordance with written procedures. VA randomly samples data received from OSGLI and notifies OSGLI of any irregularities so that they may be clarified and/or corrected.</p>			<p>How VA Leadership Uses Results Data VA monitors TSGLI workload to ensure that claims are processed in a timely manner. When there is an increase in TSGLI claims, staffing adjustments are made to ensure timely processing.</p>																



Supporting Measure

HIGH VETERANS' SATISFACTION RATINGS ON SERVICES DELIVERED

Performance Trends



ST = Strategic Target

Impact on the Veteran

VA's insurance program achieves high levels of customer satisfaction by providing quality service and implementing and administering insurance programs that meet the needs and lifestyles of veterans and their beneficiaries. Results over the past several years confirm that veterans' insurance needs are being met.

How VA Leadership Uses Results Data

VA analyzes the results of the monthly surveys for 11 insurance services and addresses any problems identified. In particular, one question in VA's insurance program customer satisfaction survey asks, "What could we do better?" VA takes action on these comments.

For example, VA provides employees with refresher training on customer service and communication skills in response to surveys that indicate the policyholder received less than excellent customer service. VA also follows up on surveys where the respondent indicates a need for further assistance.

How VA Verifies Results Data for Accuracy

VA reviews and tabulates the survey responses monthly per written guidelines. VA follows a "separation of duties" approach to maintain data integrity. For example, the operating divisions for which the surveys are conducted are not permitted to tabulate the responses. The Program Management Division reviews and tabulates the survey data.

VA validates the results by re-entering randomly selected monthly responses to determine if similar results are calculated.

Additional Performance Information for Strategic Objective 3.3

OIG Major Management Challenges and GAO High-Risk Areas

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Insurance program during CY 2005, which resulted in a rating of "Moderately Effective." Please see OMB PART reviews on page 80 for more information.

Program Evaluations

An independent program evaluation of the Insurance program was completed in May 2001. The evaluation concluded the program was effective in meeting its Congressional intent.



However, there were several recommendations for improvement, many of which have been implemented.

The evaluation recommended that VA work with DoD to more fully publicize the conversion features of Servicemembers' Group Life Insurance (SGLI) to Veterans' Group Life Insurance (VGLI) in order to increase participation in VGLI. VA worked with the Office of Servicemembers' Group Life Insurance (OSGLI) to develop an attractive marketing folder containing comprehensive information on post-separation life insurance benefits, including the SGLI disability extension and VGLI. This folder is distributed to separating servicemembers at separation briefings and is also available on the VA Insurance Web site.

Separating servicemembers also receive multiple mailings from OSGLI informing them of the option to convert their SGLI coverage to VGLI. As a result of customer feedback received through surveys of VGLI customers, VA and OSGLI revised and pilot tested several versions of the VGLI mailings. The best performing version of the mailing was adopted and implemented in March 2008.

VA also conducts special outreach to recently separated servicemembers who receive a military or VA disability rating of 50 percent or higher, including telephone calls and personalized letters. The purpose of the outreach is to inform these veterans that they may be eligible for a free 2-year extension of the SGLI coverage they held while in service, as well as to offer them the opportunity to convert their SGLI coverage to VGLI without having to meet good health requirements.

VA performed a "Year One Review" of the Servicemembers' Group Life Insurance Traumatic Injury Protection Program (TSGLI) in 2008. The purpose of the review was to ensure that the TSGLI program is fulfilling its Congressional intent of providing short-term,

financial assistance to severely injured servicemembers and their families. The review found the program to be successful, but recommended enhancements in program design. In 2008 VA contracted with Associated Veterans, LLC, to conduct a follow-up independent evaluation of the conversion privilege from SGLI to VGLI. The primary purpose of this study is to determine an appropriate target rate of conversion between the two programs. The study will also offer recommendations for improvement to VA's outreach efforts.

New Policies, Procedures, or Process Improvements

Policyholders who have been rated Individually Unemployable by VA may be eligible for waiver of premiums on Service-Disabled Veterans Insurance policies. In 2008, VA proactively identified over 1,500 policyholders who were paying premiums, but who were potentially eligible for waiver. VA contacted these policyholders via personalized mailings to advise them to apply for waiver of premiums.

Data Quality

VA's data quality improvement efforts, including its work on data verification and validation, are described in the Assessment of Data Quality on page 217.

Data Verification and Measure Validation

More details on data verification and quality and measure validation for the key measure that supports this objective are provided in the Key Measures Data Table on page 232.



Complete Listing of Measures Supporting Strategic Objective 3.3

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets	

Recap	
Green	8
Yellow	1
Red	0
Total	9

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

Objective 3.3: Maintain a high level of service to insurance policyholders and their beneficiaries to enhance the financial security of veterans' families.

Average number of days to process TSGLI disbursements (Insurance)	N/A	N/A	3.8	3.0	2.5 G	5	5
Percent of servicemembers covered by SGLI (Insurance)	N/A	98%	99%	99%	99% G	98%	98%
Conversion rate of disabled SGLI members to VGLI % (Insurance)	N/A	35%	41%	40%	45% Y	50%	50%
Ratio of the multiple of salary that SGLI covers versus the multiple of salary that private sector covers for the average enlisted servicemember (Insurance)	N/A	1.9	1.8	1.8	1.7 G	1.7	1.0
Ratio of the multiple of salary that SGLI covers versus the multiple of salary that private sector covers for the average officer (Insurance)	N/A	1.0	0.9	0.9	0.9 G	0.9	1.0
Ratio of premium rates charged per \$1,000 by other organizations compared to the SGLI premium rates charged per \$1,000 by VA for similar coverage (Insurance)	N/A	1.4	1.3	1.2	1.3 G	1.0	1.0
Ratio of premium rates charged per \$1,000 by other organizations compared to the VGLI premium rates charged per \$1,000 by VA for similar coverage (Insurance)	N/A	0.9	0.9	0.9	1.0 G	1.0	1.0
Rate of high veterans' satisfaction ratings on services delivered % (Insurance)	96%	96%	96%	96%	95% G	95%	95%
Number of disbursements (death claims, loans, and cash surrenders) per FTE (Insurance)	N/A	1,692	1,697	1,724	1,756 G	1,725	1,750



STRATEGIC OBJECTIVE 3.4

Meeting Burial Needs

Ensure that the burial needs of veterans and eligible family members are met.

Making a Difference for the Veteran

VA Cemeteries Lead Nation in Satisfaction Survey

Again this year, the National Cemetery Administration of the Department of Veterans Affairs (VA) has received the highest rating in customer satisfaction for any federal agency or private corporation surveyed, according to a prestigious, independent survey of customer satisfaction.

"This survey highlights the national cemeteries provide to our Deputy Secretary of Veterans Affairs to care for the Nation's heroes in standards for professionalism and

More than 200 companies the American Customer Satisfaction University of Michigan Business School.

"VA should be commended of service to America's veterans' consultant with CFI Group USA, one of excellent example of how government

This year's survey is the third system received the top rating in the earned a customer satisfaction rating national cemeteries also ranked 2001 and 2004.

ACSI's index for "user trust" produced a rating of 96 out of a possible 100 points for the VA-run cemetery system, which indicates that respondents are exceptionally willing to say positive things about VA's national cemeteries.

Since 1994, ACSI has been a national indicator of customer evaluations of the quality of goods and services available to U.S. residents. It is the only uniform measure of customer satisfaction for government and industry. ACSI allows benchmarking between the public and private sectors and between 1 year's results and the next.



VA's cemetery system took part in the American Customer Satisfaction Index survey conducted by the University of Michigan Business School and earned a rating of 95 out of a possible 100 points for excellent customer service.

outstanding service employees at VA's 125 Nation's veterans and their families," said Gordon H. Mansfield. "It is our honor perpetuity, meeting the highest compassion."

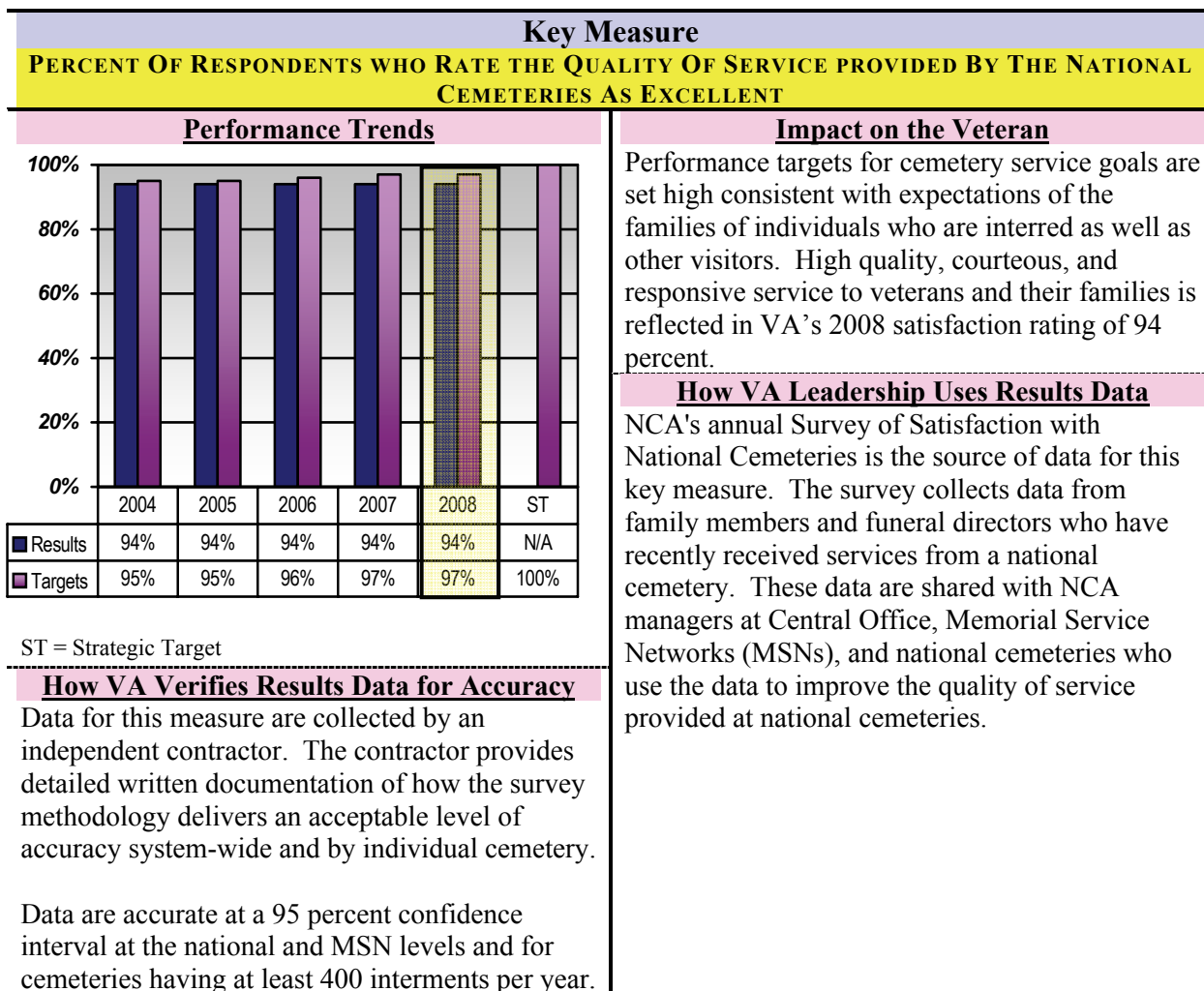
and most of the federal sector take part in Index (ACSI) survey, conducted by the

for continuing to provide such a high level families," said John Cioffi, senior the survey's sponsors. "VA serves as an should provide services to its citizens." consecutive one in which VA's cemetery Nation. For 2007, VA's cemetery system of 95 out of a possible 100 points. The number one in customer satisfaction in



Significant Trends, Impacts, and Use and Verification of FY 2008 Results

Key Measure						
PERCENT OF VETERANS SERVED BY A BURIAL OPTION WITHIN A REASONABLE DISTANCE (75 MILES) OF THEIR RESIDENCE						
Performance Trends				Impact on the Veteran		
	2004	2005	2006	2007	2008	ST
■ Results	75.3%	77.1%	80.2%	83.4%	84.2%	N/A
■ Targets	75.3%	78.3%	81.6%	83.8%	83.7%	90.0%
<p>ST = Strategic Target</p>						
<p>How VA Verifies Results Data for Accuracy</p> <p>VA staff is trained and skilled in proper procedures for calculating the number of veterans that live within the service area of cemeteries that provide a first interment burial option. Changes to this measure are documented and reported through VA's annual Performance and Accountability Report and VA Monthly Performance Reports. Results of a VA Office of the Inspector General audit assessing the accuracy of data used for this measure affirmed the accuracy of calculations made by VA personnel.</p>						
<p>How VA Leadership Uses Results Data</p> <p>VA analyzes census data to determine areas of the country that have the greatest number of veterans not currently served by a burial option. This information is used in planning for new national cemeteries and for gravesite expansion projects to extend the service lives of existing national cemeteries, as well as in prioritizing funding requests for state veterans cemetery grants.</p>						
<p>By the end of 2008, more than 19 million veterans and their families had reasonable access to a burial option.</p> <p>One of VA's primary objectives is to ensure that the burial needs of veterans and eligible family members are met. Having reasonable access is integral to realizing this objective.</p>						



Additional Performance Information for Strategic Objective 3.4

OIG Major Management Challenges and GAO High-Risk Areas

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Burial program during CY 2002, which resulted in a rating of "Moderately Effective." Please see OMB PART reviews on page 82 for more information.



Program Evaluations

The Veterans Millennium Health Care and Benefits Act, Public Law 106-117, directed VA to contract for an independent demographic study to identify those areas of the country where veterans do not have reasonable access to a burial option in a national or state veterans cemetery, and identify the number of additional cemeteries required through 2020. Volume 1: Future Burial Needs, published in May 2002, identified those areas having the greatest need for burial space for veterans. VA continues to use this report as a valuable tool for planning new national cemeteries.

In August 2008 VA completed an independent and comprehensive program evaluation of the full array of burial benefits and services that the Department provides to veterans and their families in accordance with 38 USC 527. The evaluation was performed by ICF International to provide VA with an objective assessment of 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 evaluation showed that 85 percent of veterans prefer either a casket or cremation burial option, affirming that VA is meeting the burial needs of veterans and their families by providing these options at national cemeteries. The evaluation also validated VA policies that consider veterans living within 75 miles of a national or state veterans cemetery with available first interment gravesites for either casketed or cremated remains to be adequately served with a burial option within a reasonable distance of their home. Major recommendations included the need to continue building new national cemeteries and supporting state cemetery development to serve veterans nationwide and to consider a new veteran population threshold of 110,000 veterans within a 75-mile area for establishing new national cemeteries.

While internal discussion and analysis are underway, the findings from this program evaluation will serve to inform and guide VA's management of the burial benefits program. The report is available to the public on the Department of Veterans Affairs Web site at [Web: www.va.gov/op3/](http://www.va.gov/op3/).

New Policies, Procedures, or Process Improvements

From 2007 through 2009, NCA will establish eight new national cemeteries (two have already opened in Sacramento, California and South Florida). The development of these cemeteries is consistent with current policy to locate national cemeteries in areas with the largest concentrations of veterans. Each location will provide a burial option to at least 170,000 veterans not currently served.

NCA continued the implementation of its new National Cemetery Scheduling Office (NCSO) in 2008. The NCSO began operations in January 2007, providing centralized interment scheduling 7 days a week for 27 existing national cemeteries in 9 Midwestern states and VA's two newly opened national cemeteries in Sacramento, California and South Florida. In 2008, the NCSO expanded operations to provide service to 53 of VA's 125 national cemeteries. The NCSO delivers more consistent eligibility determination in standard eligibility requests and quicker eligibility determination when eligibility cannot be immediately established. The NCSO also provides a vehicle for NCA to capitalize on new technologies that support paperless, secure recordkeeping, and future enhancements such as online interment scheduling for funeral homes.

Other Important Results

As directed by the National Cemetery Expansion Act of 2003, Public Law 108-109, action is underway to establish six new national cemeteries to serve veterans in the areas of Bakersfield, California; Birmingham, Alabama; Columbia/Greenville, South Carolina; Jacksonville, Florida; Sarasota County, Florida; and Southeastern Pennsylvania.



These cemeteries are expected to begin operations in 2009 and will provide service to about 1 million veterans.

VA also completed construction projects to extend burial operations at Willamette, Oregon; Sitka, Alaska; Florence, South Carolina; and San Joaquin Valley, California National Cemeteries.

In addition to building, operating, and maintaining national cemeteries, VA also administers the State Cemetery Grants program, which provides grants to states for up to 100 percent of the cost of establishing, expanding, or improving state veterans cemeteries.

Increasing the availability of state veterans cemeteries is a means to provide a burial option to those veterans who may not have reasonable access to a national cemetery.

In 2008, four new state veterans cemeteries began interment operations in Glennville, Georgia; Anderson, South Carolina; Des Moines, Iowa; and Williamstown, Kentucky. In 2008, 71 operating state veterans cemeteries performed nearly 25,000 interments of veterans and eligible family members, and grants were obligated to establish, expand, or improve state veterans cemeteries in 11 states. Also in 2008, state veterans cemeteries provided a burial option to more than 2 million veterans and their families.

Data Verification and Measure Validation

More details on data verification and quality and measure validation for the key measures that support this objective are provided in the Key Measures Data Table on page 234.



Complete Listing of Measures Supporting Strategic Objective 3.4

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets	
<p>Strategic Goal 3: Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.</p>							

Recap

Green	3
Yellow	2
Red	0
Total	5

Objective 3.4: Ensure that the burial needs of veterans and eligible family members are met.

Percent of veterans served by a burial option within a reasonable distance (75 miles) of their residence	75.3%	77.1%	80.2%	83.4%	84.2% G	83.7%	90.0%
Percent of respondents who rate the quality of service provided by the national cemeteries as excellent	94%	94%	94%	94%	94% Y	97%	100%
Percent of funeral directors who respond that national cemeteries confirm the scheduling of the committal service within 2 hours	73%	73%	74%	72%	72% Y	80%	93%
Percent of headstone and marker applications from private cemeteries and funeral homes received electronically (Internet)	N/A	N/A	N/A	N/A	45%	Baseline	75%
Average number of days to process a claim for reimbursement of burial expenses (Compensation)	48	57	72	91	84 G	84	21
National Accuracy Rate for burial claims processed % (Compensation) (through July)	94%	93%	94%	95%	* 96% G	96%	98%

* These are partial or estimated data; final data will be published in the FY 2010 Congressional Budget and/or the FY 2009 Performance and Accountability Report.



STRATEGIC OBJECTIVE 3.5

Symbolic Expressions of Remembrance

Provide veterans and their families with timely and accurate symbolic expressions of remembrance.

Making a Difference for the Veteran

Holiday Wreaths to Commemorate American Heroes



Holiday wreaths were placed in remembrance at VA national cemeteries across the Nation in December. Pictured is the Ft. Bliss National Cemetery in Texas.

Holiday wreaths were placed in remembrance at Department of Veterans Affairs (VA) national cemeteries across the Nation in December.

"This generous and heartfelt gesture of remembering and honoring our veterans during the holiday season is proof that Americans cherish the service and sacrifices of these heroes," said Deputy Secretary of Veterans Affairs Gordon H. Mansfield.

This is the second year the Worcester Wreath Company of Harrington, Maine, has sent holiday wreaths to VA national cemeteries and state veterans cemeteries to display in a nationwide tribute to veterans, called "Wreaths Across America." All 125 VA national cemeteries received 7 wreaths, one for each service branch, one for prisoners and missing in war, and one for merchant mariners. Many veterans cemeteries received additional wreaths for gravesite display from local public donations.

The wreaths are made and decorated by the employees of Worcester Wreath Company. Company President Morrill Worcester said he wanted to recognize veterans, active duty military, and their

families, and through these ceremonies to remind the public to honor veterans for their service and teach children the value of freedom.



Significant Trends, Impacts, Use and Verification of FY 2008 Results

Key Measure																											
PERCENT OF GRAVES IN NATIONAL CEMETERIES MARKED WITHIN 60 DAYS OF INTERMENT																											
Performance Trends				Impact on the Veteran																							
<table border="1"> <thead> <tr> <th>Year</th> <th>Results</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>87%</td> <td>78%</td> </tr> <tr> <td>2005</td> <td>94%</td> <td>88%</td> </tr> <tr> <td>2006</td> <td>95%</td> <td>90%</td> </tr> <tr> <td>2007</td> <td>94%</td> <td>90%</td> </tr> <tr> <td>2008</td> <td>93%</td> <td>95%</td> </tr> <tr> <td>ST</td> <td>N/A</td> <td>98%</td> </tr> </tbody> </table>							Year	Results	Targets	2004	87%	78%	2005	94%	88%	2006	95%	90%	2007	94%	90%	2008	93%	95%	ST	N/A	98%
Year	Results	Targets																									
2004	87%	78%																									
2005	94%	88%																									
2006	95%	90%																									
2007	94%	90%																									
2008	93%	95%																									
ST	N/A	98%																									
<p>ST = Strategic Target</p> <p>How VA Verifies Results Data for Accuracy</p> <p>National cemetery employees are trained and skilled at entering data into NCA's Burial Operations Support System (BOSS). Data are collected and verified by NCA Central Office employees who are skilled and trained in data collection and analysis techniques. Data are verified by sampling against source interment data in BOSS.</p>				<p>The amount of time it takes to mark the grave after an interment is extremely important to veterans and their families. The headstone or marker is a lasting memorial that serves as a focal point not only for present-day survivors, but also for future generations. In addition, it may bring a sense of closure to the grieving process to see the grave marked.</p> <p>How VA Leadership Uses Results Data</p> <p>NCA field and Central Office employees have online access to monthly and fiscal year-to-date tracking reports on timeliness of marking graves in national cemeteries. Increasing the visibility and access of this information reinforces the importance of marking graves in a timely manner.</p> <p>This information is also used to drive process improvements, such as the development of NCA's local inscription program. The local inscription program further improves NCA's ability to provide these symbolic expressions of remembrance by improving the timeliness of the grave marking process.</p>																							

Additional Performance Information for Strategic Objective 3.5

OIG Major Management Challenges and GAO High-Risk Areas

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Burial program during CY 2002, which resulted in a rating of "Moderately Effective." Please see OMB PART reviews on page 82 for more information.

Program Evaluations

In August 2008 VA completed an independent and comprehensive program evaluation of the full array of burial benefits and services that the Department provides to veterans and their families in accordance with 38 USC 527. The evaluation was performed by ICF International



to provide VA with an objective assessment of 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 evaluation included a nationwide survey sent to more than 38,000 veterans. More than 75 percent of respondents to this survey indicated that the current array of symbolic expressions of remembrance provided by VA were either "important" or "very important." These include government headstones and markers, Presidential Memorial Certificates (PMCs), a U.S. flag at the funeral service, and military funeral honors. Eighty percent of survey respondents indicated that the concept of the PMC benefit makes them feel that the country appreciates their service to the Nation.

Recommendations included adding space on the VA furnished government headstone and marker to allow room for a military insignia and for appropriate personal inscriptions.

The findings from this program evaluation will serve to inform and guide VA's management of the burial benefits program, particularly with respect to VA's array of benefits that memorialize the service of U.S. veterans. The report is available to the public via the [Web](http://www.va.gov/op3/) at www.va.gov/op3/.

New Policies, Procedures, or Process Improvements

Public Law 110-157, dated December 26, 2007, granted VA permanent authority to furnish headstones and markers for the previously marked graves of veterans in private cemeteries. Previous legislation had extended this benefit temporarily through December 31, 2007, only to veterans who died on or before September 11, 2001. Under this new legislation, veterans buried in private cemeteries who died on or after November 1, 1990, are now eligible to receive a government headstone or marker at no cost regardless of whether their grave was previously marked. This legislation significantly extends VA's headstone and marker benefit and enables

the families of millions of veterans to honor the service of veterans whose graves were previously marked with privately furnished headstones or markers.

Public Law 110-157 also gave VA authority to "furnish, upon request, a medallion or other device of a design determined by the Secretary to signify the deceased's status as a veteran, to be attached to a headstone or marker furnished at private expense." This benefit will be available in lieu of a Government furnished headstone or marker for veterans in privately marked graves who died on or after November 1, 1990. VA is currently reviewing medallion prototypes and anticipates that the final medallion will be available to the public in the spring of 2009.

Other Important Results

In addition to VA national cemeteries, VA also furnishes headstones and markers for national cemeteries administered by the Department of the Army and the Department of the Interior and contracts for all columbaria niche inscriptions at Arlington National Cemetery. In 2008 VA processed more than 361,000 applications for headstones and markers for placement in national, state, other public, or private cemeteries. Since 1973 VA has furnished more than 10 million headstones and markers for the graves of veterans and other eligible persons.

VA is committed to ensuring that timely and accurate symbolic expressions of remembrance are provided for veterans who are not buried in national cemeteries. In 2008 VA processed 95 percent of the applications for headstones and markers for such veterans within 20 days of receipt, exceeding VA's long-term goal of 90 percent.

Headstones and markers must be replaced when either the government or the contractor makes errors in the inscription, or if the headstone or marker is damaged during installation. When headstones and markers must be replaced, it further delays the final portion of the interment



process, the placing of the headstone or marker at the gravesite. NCA continues to improve accuracy and operational processes in order to reduce the number of inaccurate or damaged headstones and markers delivered to the gravesite. In 2008, 96 percent of headstones and markers were delivered undamaged and correctly inscribed. In 2008, inscription data for 99 percent of headstones and markers ordered by national cemeteries were accurate and complete. VA will continue to focus on business process reengineering, including improving accuracy and operational processes, in order to prevent delays in marking graves caused by inaccurate or damaged headstones and markers.

In 2008 VA issued more than 511,000 PMCs, bearing the President’s signature, to convey to the family of the veteran the gratitude of the Nation for the veteran’s service. To convey this gratitude, it is essential that the certificate be accurately inscribed. The accuracy rate for inscription of PMCs provided by VA is consistently 98 percent or better.

Data Verification and Measure Validation

More details on data verification and quality and measure validation for the key measure that supports this objective are provided in the Key Measures Data Table on page 234.

Complete Listing of Measures Supporting Strategic Objective 3.5

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets	

Recap	
Green	2
Yellow	1
Red	0
Total	3

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

Objective 3.5: Provide veterans and their families with timely and accurate symbolic expressions of remembrance.

Percent of graves in national cemeteries marked within 60 days of interment	87%	94%	95%	94%	93% Y	95%	98%
Percent of applications for headstones and markers that are processed within 20 days for the graves of veterans who are not buried in national cemeteries	N/A	13%	62%	38%	95% G	75%	90%
Percent of headstones and markers that are undamaged and correctly inscribed	97%	96%	96%	96%	96% G	96%	98%



STRATEGIC OBJECTIVE 3.6

Home Purchase and Retention

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

Making a Difference for the Veteran

VA Helps Veterans Remain in Their Homes



In FY 2008, approximately 179,670 veterans, active-duty service members, and survivors received home loans valued at over \$36 billion.

Many homeowners have found it difficult to pay their mortgages, but quick intervention by loan specialists at the Department of Veterans Affairs (VA) has reduced the number of veterans defaulting on their home loans.

“VA is reaching out to veterans -- both those who use our home-loan guaranty program and those who don't take advantage of our guaranties -- to keep people in their homes,” said Secretary of Veterans Affairs Dr. James B. Peake. “I'm proud of our solid record of success in helping veterans and active-duty personnel deal with financial crises.”

Accounting for much of this success are VA loan specialists at nine regional loan centers who assist people with VA-guaranteed loans to avoid foreclosure through counseling and special financing arrangements. Depending on a veteran's circumstances, VA can intercede with the borrower on the

veteran's behalf to pursue options -- such as repayment plans, forbearance, and loan modifications -- that would allow a veteran to keep a home. The loan specialists also can assist other veterans with financial problems.

Since 1944, VA has guaranteed nearly 18.4 million home loans worth approximately \$967 billion. In FY 2008, approximately 179,670 veterans, active-duty servicemembers, and survivors received loans valued at more than \$36 billion.

About 2.1 million home loans still in effect were purchased through VA's home-loan guaranty program, which makes home loans more affordable for veterans, active-duty members, and some surviving spouses by protecting lenders from loss if the borrower fails to repay the loan. More than 90 percent of VA-backed home loans were given without a down payment.

To obtain help from a VA loan specialist, veterans can call VA toll-free at 1-877-827-3702. Information about VA's home loan guaranty program can be obtained on the [Web](#) at www.homeloans.va.gov.



Significant Trends, Impacts, and VA's Use and Verification of FY 2008 Results

Key Measure																											
FORECLOSURE AVOIDANCE THROUGH SERVICING (FATS) RATIO																											
Performance Trends				Impact on the Veteran																							
<table border="1"> <thead> <tr> <th>Year</th> <th>Results</th> <th>Targets</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>44.0%</td> <td>47.0%</td> </tr> <tr> <td>2005</td> <td>48.0%</td> <td>47.0%</td> </tr> <tr> <td>2006</td> <td>54.0%</td> <td>47.0%</td> </tr> <tr> <td>2007</td> <td>57.0%</td> <td>51.0%</td> </tr> <tr> <td>2008</td> <td>52.4%</td> <td>56.0%</td> </tr> <tr> <td>ST</td> <td>N/A</td> <td>57.0%</td> </tr> </tbody> </table>							Year	Results	Targets	2004	44.0%	47.0%	2005	48.0%	47.0%	2006	54.0%	47.0%	2007	57.0%	51.0%	2008	52.4%	56.0%	ST	N/A	57.0%
Year	Results	Targets																									
2004	44.0%	47.0%																									
2005	48.0%	47.0%																									
2006	54.0%	47.0%																									
2007	57.0%	51.0%																									
2008	52.4%	56.0%																									
ST	N/A	57.0%																									
<p>ST = Strategic Target</p>				<p>The 2008 FATS ratio means that 52.4 percent of veterans who otherwise would have lost their homes through foreclosure were able to retain ownership with VA assistance, or at least had the impact of loss lessened by either tendering a deed in lieu of foreclosure or arranging a private sale with a VA claim payment to help close the sale. VA avoided claim payments in most of the FATS cases or else paid smaller claims than if foreclosure had occurred.</p> <p>The 2008 FATS ratio of 52.4 percent represents a 4.6 percentage point decrease from 2007. This reflects the decline in property values and the significant rise in foreclosures in the overall housing market that have made it more difficult for VA to help veterans avoid foreclosure.</p>																							
<p>How VA Verifies Results Data for Accuracy</p> <p>VA personnel are skilled and trained in loan servicing procedures. These procedures are documented in the VA loan servicing technician guide and are updated regularly based on loan servicing industry best practices.</p> <p>Prior to input of the staff's completed servicing actions, a supervisory check of the results data is completed to verify the accuracy of the actions taken.</p> <p>If these actions result in the veteran's defaulted loan becoming current, then another supervisory check is done to verify the successful intervention data for accuracy.</p>				<p>How VA Leadership Uses Results Data</p> <p>VA uses the data to measure the effectiveness of field station efforts to assist veterans in avoiding foreclosure. Since veterans benefit substantially from foreclosure avoidance, and at the same time VA realizes cost savings, VA has redesigned the program to promote greater loss mitigation efforts by primary servicers.</p> <p>This redesign effort included development of the VA Loan Electronic Reporting Interface (VALERI) service. With VALERI, servicing of delinquent VA-guaranteed loans will be done in a more effective manner. Full implementation of VALERI will be completed by the end of the 2008 calendar year.</p>																							



Additional Performance Information for Strategic Objective 3.6

OIG Major Management Challenges and GAO High-Risk Areas

VA's Office of Inspector General did not identify any major management challenges related to this objective. The Government Accountability Office did not identify any high-risk areas related to this objective.

Program Assessment Rating Tool (PART) Evaluation

In relation to this strategic objective, the Administration conducted a PART evaluation of VA's Housing program during CY 2004, which resulted in a rating of "Results Not Demonstrated." Please see OMB PART reviews on page 78 for more information.

Program Evaluations

No independent program evaluations have been conducted recently that specifically address this objective.

New Policies, Procedures, or Process Improvements

In 2008 VA experienced increased inquiries and usage of the VA-Guaranteed Home Loan and the Specially Adapted Housing (SAH) grants. Legislation passed which increased the maximum guaranty amount up to 175 percent of

the Freddie Mac single-family conventional conforming loan limit in certain high cost areas. SAH maximum grant amounts were raised to \$12,000 and \$60,000 as a result of new legislation. In addition, these amounts will increase annually based on a cost-of-construction index. SAH grants of up to \$14,000 for temporary residences, previously available only to veterans, are now available to veterans and servicemembers. This legislation also added disabilities resulting from severe burn injuries to the eligibility criteria for the SAH grant.

Other Important Results

During 2008 VA continued the implementation of new processes and procedures associated with the redesign of our guaranteed loan default servicing. Full implementation will occur by the end of 2008. This will bring VA very close to performance and operational standards used by large private sector servicers and lenders. The emphasis will be on providing financial incentives and greater flexibility to primary servicers.

Data Verification and Measure Validation

More details on data verification and quality and measure validation for the key measure that supports this objective are provided in the Key Measures Data Table on page 234.



Complete Listing of Measures Supporting Strategic Objective 3.6

Green or G: Target was met or exceeded. **Yellow or Y:** Target was not met, but the deviation was not significant or material. **Red or R:** Target was not met, but the deviation was significant or material.

Strategic Goal/Measure (Key Measures in Bold)	Past Results				FY 2008		Strategic Target								
	FY 2004	FY 2005	FY 2006	FY 2007	Results	Targets									
Strategic Goal 3: Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.															
							<p style="text-align: center;">Recap</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>Green</td><td style="text-align: right;">2</td></tr> <tr><td>Yellow</td><td style="text-align: right;">2</td></tr> <tr><td>Red</td><td style="text-align: right;">0</td></tr> <tr style="border-top: 1px solid black;"><td>Total</td><td style="text-align: right;">4</td></tr> </table>	Green	2	Yellow	2	Red	0	Total	4
Green	2														
Yellow	2														
Red	0														
Total	4														

Objective 3.6: Improve the ability of veterans to purchase and retain a home by meeting or exceeding lending industry standards for quality, timeliness, and foreclosure avoidance.

Foreclosure avoidance through servicing (FATS) ratio % (Housing)	44.0%	48.0%	54.0%	57.0%	52.4% Y	56.0%	57.0%
Veterans satisfaction level % (Housing) (1) No Housing survey was completed for 2004 or 2005.	(1) N/A	(1) N/A	93.1%	Avail. 12/2008	Avail. 12/2009	95.0%	97.0%
Lender Satisfaction (Percent of lenders who indicate that they are satisfied with the VA Loan Guaranty Program) (1) No Housing survey was completed for 2004 or 2005.	(1) N/A	(1) N/A	93.2%	Avail. 12/2008	Avail. 12/2009	94.0%	95.0%
Statistical quality index % (Housing)	98.0%	98.0%	99.0%	99.2%	99.6% G	98.0%	98.5%
Rate of homeownership for veterans compared to that of the general population %	N/A	N/A	N/A	N/A	115.2% G	108.0%	110.0%
E-FATS (Ratio of dollars saved through successful loan interventions, to dollars spent by VA on Loan Administration FTE who perform intervention work) (Housing)	N/A	N/A	7.0:1	6.8:1	5.8:1 Y	7.0:1	8.0:1