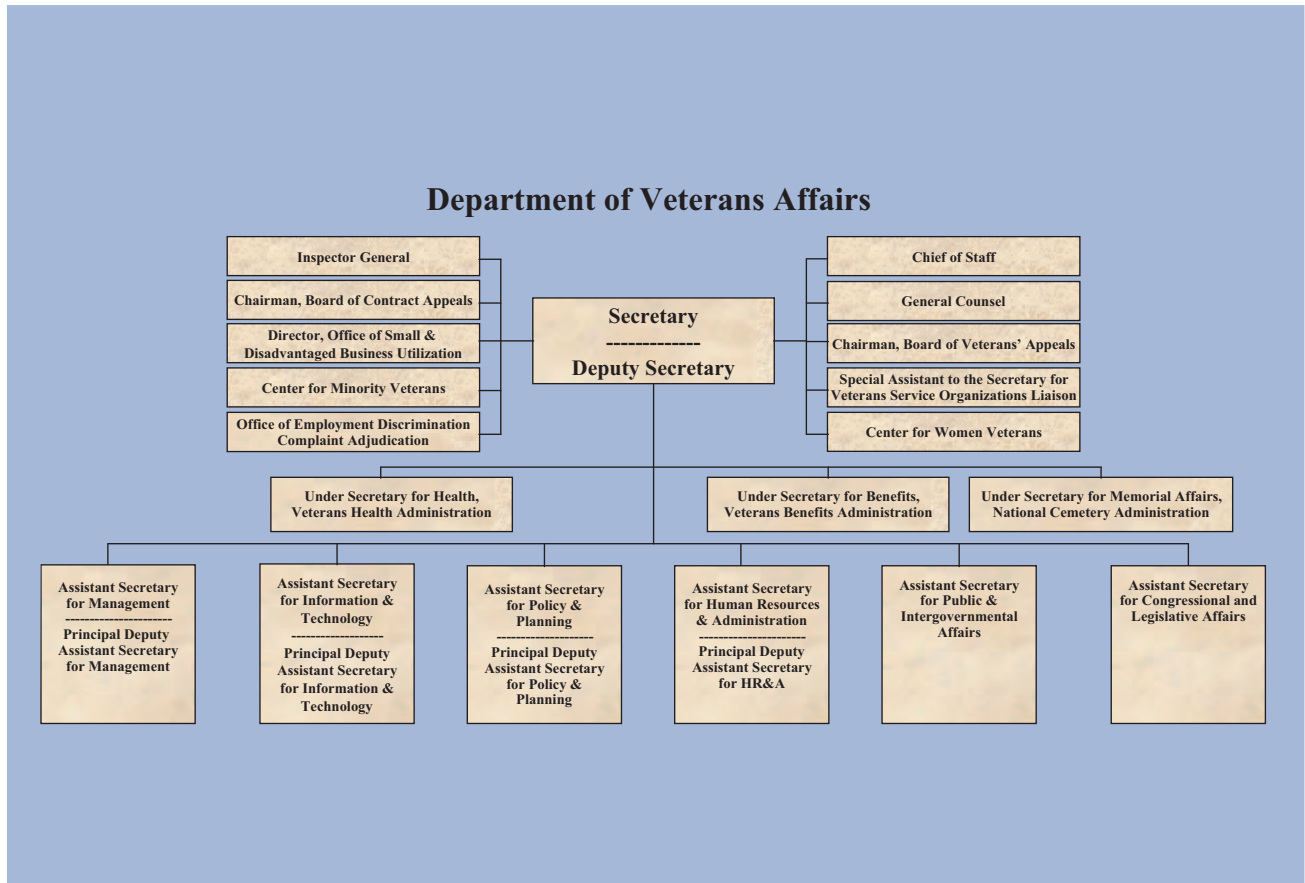


WHO WE ARE



The FY 2001 Performance Report documents VA's progress in providing high-quality, timely benefits and services to the men and women who have served our country in the armed forces. This report identifies the achievements VA recorded during FY 2001 that have contributed to attaining the goals and objectives in the VA Strategic Plan

and Annual Performance Plan. In so doing, we are providing detailed information—to Congress, OMB, veterans service organizations, and other stakeholders—to spell out not only what we do, but more importantly, *how well we are doing* in meeting our commitment to honor our veterans and to compensate them for their sacrifices.

Mission

"To care for him who shall have borne the battle, and for his widow and his orphan."

These words, spoken by Abraham Lincoln during his Second Inaugural Address, reflect the philosophy and principles that guide VA in everything we do in our efforts to serve our Nation's veterans and their families.

In today's environment, President Lincoln's statement reflects VA's responsibility to treat America's veterans and their families with profound respect and compassion; to be their principal advocate in promoting the health, welfare, and dignity of all veterans; and to ensure they receive the medical care, benefits, social support, and lasting memorials they deserve in recognition of their service to this country.

The statutory mission authority for VA defines our responsibility to America's veterans: "to administer the laws providing benefits and other services to veterans and the dependents and the beneficiaries of veterans" (38 U.S.C. 301(b)). The benefits and services we provide are directly shaped by veterans' needs, preferences, and expectations.

Vision

As the needs of veterans change, VA must change to address those needs by:

- Becoming an even more veteran-focused organization, functioning as a single, comprehensive provider of seamless service to the men and women who have served our Nation;
- Continuously benchmarking the quality and delivery of our service with the best in business, and using innovative means and high technology to deliver world-class service;

- Fostering partnerships with veterans organizations and other stakeholders, making them part of the decision-making process;
- Cultivating a dedicated VA workforce of highly skilled employees who understand, believe in, and take pride in our vitally important mission.

Core Values

To implement our mission and achieve our strategic goals, we strive to uphold a set of core values representing the basic fabric of our organizational culture. These values, which transcend all organizational boundaries, include:

Respect and Commitment

- Veterans have earned our respect and our commitment to meet their needs.
- We believe that integrity, fairness, and respect must be the hallmarks of our interactions.

Open Communication

- We are committed to open, accurate, and timely communication with veterans, employees, and external stakeholders.
- We listen to the concerns and views of veterans, employees, and external stakeholders to improve the programs and services we provide.

Excellence in Services, Programs, and People

- We continuously strive to meet or exceed the service delivery expectations of veterans and their families by delivering accurate, timely, and courteous service and benefits in an effective and efficient manner.
- We are committed to improved access for veterans and their families through facility location and design, and through innovative uses of information technology.
- We perform at the highest level of competence and take pride in our accomplishments.
- We are open to change and value a culture where everyone is involved, accountable, respected, and appreciated.
- We value teamwork and cooperation—operating as *One VA* to deliver world-class, seamless service to veterans and their families.

Background

VA directly touches the lives of millions of veterans every day through its health care, benefits, and burial programs. With facilities in all 50 states, the territories, and the District of Columbia, we provide benefits and services through our 172 hospitals, 137 nursing homes, 43 domiciliaries, 859 outpatient clinics (i.e., 684 community-based, 163 hospital-based, 4 independent, and 8 mobile), 206 Vietnam Veteran Outreach Centers (Vet Centers), 57 regional offices, and 120 national cemeteries.

The Department accomplishes its mission through partnerships among the Veterans Health Administration (VHA), the Veterans Benefits Administration (VBA), the National Cemetery Administration (NCA), the Board of Veterans' Appeals (BVA), and the Departmental staff organizations by integrating the related activities and functions of the following major programs:

Medical Care

VA meets the health care needs of America's veterans by providing primary care, specialized care, and related medical and social support services.

Medical Education

VA's health care education and training programs help to ensure an adequate supply of clinical care providers for veterans and the Nation.

Medical Research

The medical research program contributes to the Nation's knowledge about disease and disability.

Compensation

The compensation program provides monthly payments and ancillary benefits to veterans, in accordance with rates specified by law, in recognition of the average potential loss of earning capacity caused by a disability, disease, or death incurred in, or aggravated during, active military service. This program also provides monthly payments, as specified by law, to surviving spouses, dependent children, and dependent parents, in recognition of the economic loss caused by a veteran's death during active military service or, subsequent to discharge from military service, as a result of a service-connected disability. Recent legislation has also authorized compensation for certain children of veterans as well. Currently, we authorize compensation for children of Vietnam veterans with Spina Bifida and children of female veterans with certain birth defects.

Pension

The pension program provides monthly payments, as specified by law, to needy wartime veterans who are permanently and totally disabled. This program also provides monthly payments, as specified by law, to needy surviving spouses and dependent

children of deceased wartime veterans who die as a result of a disability not related to military service.

Education

The education program assists eligible veterans, servicemembers, reservists, survivors, and dependents in achieving their educational or vocational goals by providing financial assistance in the form of monthly payments while attending school or pursuing training.

Vocational Rehabilitation and Employment

The vocational rehabilitation and employment program assists veterans with service-connected disabilities to achieve functional independence in daily activities. It provides the support and assistance necessary to enable service-disabled veterans to become employable and to obtain and maintain suitable employment.

Housing

The housing program helps eligible veterans, active duty personnel, surviving spouses, and selected reservists to purchase and retain homes.

Insurance

The insurance program provides life insurance benefits to veterans and servicemembers that may not be available from the commercial insurance industry due to lost or impaired insurability resulting from military service. Benefits and services will be provided in an accurate, timely, and courteous manner and at the lowest achievable administrative cost. Insurance coverage will be provided in reasonable amounts at competitive premium rates. A competitive, secure rate of return will be ensured on investments held on behalf of the insured.

Burial

Primarily through the National Cemetery Administration, VA honors veterans with a final resting place and lasting memorials that commemorate their service to the Nation.

Program Participants

VA serves a significant portion of the veteran population. In FY 2001, more than 4.2 million patients used VA health care, over 2.6 million veterans and survivors received monthly VA disability compensation payments, and more than 2.4 million graves of deceased veterans and eligible family members were maintained at our national cemeteries. The following table summarizes the number of individual veterans or dependents who received benefits or services in each of our major programs during FY 2001.

Program	Number of Participants
Medical Care	
Unique patients	4,247,200
Veterans	3,890,900
Non-veterans	356,300
Compensation	
Veterans	2,325,700
Survivors/children	305,800
Pension	
Veterans	348,700
Survivors	240,500
Education	
Veterans and service persons	289,800
Reservists	82,300
Survivors/dependents	46,900
Vocational Rehabilitation	
Veterans receiving services/subsistence	52,800
Veterans receiving services only	11,500
Housing	
Loans guaranteed	252,700
Insurance	
Administered policies (veterans)	2,079,200
Supervised policies (service members and veterans)	2,788,500
Burial	
Interments	84,800
Graves maintained	2,443,000
Headstones and markers	304,300

In FY 2001, VA resources totaled \$53.5 billion in obligations and nearly 207,000 full-time equivalent (FTE) employees. Over 95 percent of total

obligations went directly to veterans in the form of monthly payments of benefits or for direct services such as medical care. The following charts show (1) how VA spent the taxpayer funds with which we were entrusted and (2) the distribution of FTE.

