

Statement of Peter B. Hegseth

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before the

Senate Committee on Veterans Affairs

on

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concerning

Pending Health Care and Benefits Legislation (including S.1082)

Chairman Isakson, Ranking Member Blumenthal and members of the committee, thank you for affording me the opportunity to testify on pending legislation today on behalf of *Concerned Veterans for America*.

While several of these bills do worthwhile things, I want to focus the balance of my time on one bill that we believe represents a crucial step toward fixing ongoing culture problems at the Department of Veterans Affairs. The bill is **S. 1082**, *the Department of Veterans Affairs Accountability Act of 2015*, introduced by Senator Marco Rubio. The legislation builds on the work already begun by last year's *Veterans Access, Choice and Accountability Act of 2014*, which made it easier to remove incompetent and negligent VA Senior Executive Service officials. This common sense bill—S.1082—simply expands the Secretary's authority to swiftly remove poor employees, regardless of their rank in the organization.

We believe this bill is badly needed—and critical to VA's recovery—because so much of what ills VA stems from a dysfunctional and bureaucratic culture that has infected the organization at *all* levels. Of course we recognize that the vast majority of VA employees care deeply for veterans and have a strong desire to serve them. As is often noted, many of these employees are veterans themselves. However, in a system that punishes whistleblowers and all too often rewards complacency and incompetence, even the best employee can become jaded, and just "go along to get along". When this becomes the case throughout an organization, mediocrity—and even failure—can become the norm.

As a matter of fact, VA has a history of rewarding mediocrity and failure. Employees that failed at their job—and ought be fired swiftly—are instead put on paid administrative leave, or even paid a bonus. Remember, it was not long ago that we were discussing improper bonus practices

at the VA. This reward-for-failure practice goes all the way back to Congress itself. What happens when VA fails to properly manage its massive and growing budget resources and finds itself in a budget shortfall? It always gets rewarded with more resources. If we keep rewarding failure – if we keep just spending another \$3 billion here and \$3 billion there – we can only expect more failure.

For years, that has been Congress and the veterans community's default response: throw money at a failing VA bureaucracy and it will fix itself. That is the reason why the VA's budget has more than doubled in the last seven years, while the number of veteran patients (as reported by VA) grew by less than one million. In fact just this week the *New York Times* reported yet again that wait times have actually *increased* since the VA scandal broke last year. This is a clear image of what rewarding mediocrity and failure looks like at the Departmental level—failure that cascades down from the leadership to the frontline employee, and ultimately, to the underserved veteran. Remember, it is veterans who pay the price for no accountability at VA.

A whistleblower even noted at a field hearing this month at the VA regional office in Philadelphia that conditions there are now "worse than ever,"¹ and employee morale is at an alltime low. This should surprise nobody. Who would want to work at a place where mediocrity and failure gets rewarded? A place where, if you speak up about dysfunction and waste, instead of getting rewarded you get a target on your back? Because there is no accountability at VA, VA is losing good employees—and will continue to be unable to attract the best employees.

This common-sense bill—S.1082—would simply increase the accountability for VA employees, but more importantly it would make the removal of bad employees more efficient, thereby enhancing the morale and dedication of the good employees which constitute the majority.

We realize that some—especially public employee unions—have voiced concerns about protections for rank-and-file employees, fearing that the VA Accountability Act would result in an increase in retaliations of whistleblowers and/or politicized personnel decisions. We strongly believe these concerns are unfounded. Not only would existing whistleblower protections remain in place, but S.1082 actually increases protections for whistleblowers. As far as willy-nilly firings, all VA workers will retain the same federal protections afforded other government workers. S.1082 simply condenses the appeal and adjudication period for fired workers—placing them on *unpaid* administrative leave in the process. VA workers retain full protections and full appeal rights; they just won't be sitting on paid administrative leave for months and years. Again, common sense stuff.

Another bill being considered today – Senator Ron Johnson's S. 1117, *Ensuring Veteran Safety Through Accountability Act of 2015* – makes a laudable move toward expanded removal authority. However, this bill simply does not go far enough. By applying the increased firing authority only to VA health care workers (Title 38 employees), many potentially problematic VA employees will continue to fly beneath the radar with little accountability. The bill also strikes us as unfair—with some employees held accountable, others not. Full and fair accountability for all

¹ http://www.stripes.com/news/veterans/it-s-worse-than-ever-employees-of-beleaguered-philadelphia-va-office-vent-to-visiting-lawmakers-1.352536

VA employees is necessary to achieve the kind of culture change that VA badly needs. That is what S.1082 delivers.

As we all know, the stories associated with the actions of bad VA employees are numerous and infuriating. For example, it took over year to fire a VA employee in Alabama who took a drug-addicted veteran to a crack house and left him overnight. Worse, a year after the scandal broke, still not a single VA employee have been fired specifically for manipulating patient wait times. In fact, overall firings have actually decreased at the VA since the wait list scandal broke despite the fact that the manipulation of waitlists was found to be a wide and systemic problem. The status quo is unacceptable.

It's blindingly obvious that more accountability is needed to help fix what ills the VA bureaucracy. In fact, Deputy Secretary Sloan Gibson recently testified before the House Veterans Affairs Committee, saying "it's hard to hire and it's hard to fire" employees across the Federal government, including at VA. He added that, "We will not change the culture of the VA unless we hold people accountable."²

We adamantly agree with Secretary Gibson-as do all the VSOs who also support S.1082.

It is to give VA the tools they need to live up to their own words.

 $^{^2\} http://www.govexec.com/management/2015/05/va-officials-say-theyre-trying-fire-people-its-still-really-hard/112717/$