

STATEMENT OF THE HONORABLE ROBERT WILKIE
BEFORE THE
SENATE VETERANS' AFFAIRS COMMITTEE
THE STATE OF THE DEPARTMENT OF VETERANS AFFAIRS

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Chairman Isakson, Senator Tester, distinguished members of the committee: Thank you for my first opportunity to discuss the current state of the Department of Veterans Affairs (VA) and my vision for the future of America's Veterans.

I am happy to say that the state of the VA is better—better because of the work of this Committee; better because of the attention paid to Veterans Affairs by the President; better because we have a functioning, experienced leadership team in place at all levels; better because we have a workforce dedicated to the care of warriors; and better because the turmoil of the first seven months of 2018 is in the rearview mirror.

Mr. Chairman, while all Executive Branch departments and agencies must carry out their missions without consideration or influence of partisan politics, I have said in my visits across the department — visits that in the last five weeks cover ten VA hospitals from Boston to Las Vegas -- that there are two departments of the Federal Government that must be especially careful to rise above partisan politics: the Department of Defense (DoD) and the Department of Veterans Affairs—this Committee is proof of that postulate.

Now more than ever we are seeing the need for DoD and VA to work together to provide quality care for the Nation's Service members and Veterans. And now more than ever we also are seeing the benefit of strong bipartisan support for our DoD/VA partnership in the many major acts of Congress passed in the recent years. Mr. Chairman, Congress has infused VA with a \$200 billion budget. You have passed the Accountability Act to shake up complacency, and you have passed the MISSION Act to strengthen VA's ability to ensure Veterans have access to the best care available when and where they need it. As Secretary Mattis said when this Congress passed a \$700 billion defense budget, there are no more excuses. The future now is up to the department. I look forward to working with the committee and Congress to carry forward that work of transformation, and I pledge to make our efforts as transparent as possible to you, to Veterans, and to the American people.

Mr. Chairman, I would also be remiss if I did not mention the round the clock efforts of our VA employees to serve and protect our veterans during this great time of need across the Carolinas. Without a hitch, we were able to evacuate patients in the danger zone; provide fuel, food and oxygen to hospitals we had to keep open in spite of deteriorating conditions in the communities they serve; and what is not known to many of our fellow citizens and some in this Congress—we were the foundational emergency responders for our government providing incident command centers and sending doctors, nurses and engineers plus mobile pharmacies, clinics and nutrition centers into the hardest hit areas. America should be proud of their fellow citizens.

Initial Assessment

As Acting Secretary and Secretary of Veterans Affairs, I met personally with the leaders of nine Veterans Service Organizations (VSOs), spoke at four VSO events, hosted two VSO breakfasts, and attended one White House VSO meeting. I have met with the combined leadership of VA's three administrations—Benefits, Health, and Memorial Affairs—and I have visited 14 VA medical facilities, two claims processing centers, and two national cemeteries, as well as a Maryland Veterans Treatment Court. From what I have seen and from what I have been told by Veterans' advocates, it is clear to me that the Veteran population is changing faster than we realize. For the first time in over 40 years, half of our Veterans are now under the age of 65. Of America's 20 million Veterans, 10 percent are now women. We face some persistent problems: increasing demand for care, vacancies in critical specialties, aging facilities, antiquated management systems, and a new generation of computer-savvy Veterans who expect and deserve 21st-century service—service that is quick, diverse, and close to home.

I have also seen wonderful examples of VA accomplishments that deserve more attention than they get. Many of them are the result of collaborations with our public and private sector partners, such as our consultation with the National Football League on traumatic brain injury. And I've seen VA making groundbreaking progress, particularly in the areas of accountability, transparency, and efficiency, thanks to an unprecedented series of legislative actions aimed at reforming the department and improving care and benefits for our Nation's heroes.

Most inspiring to me have been the many exceptionally competent and caring VA employees I have met who truly live by VA's core "I CARE" values: Integrity, Commitment, Advocacy, Respect, and Excellence:

- Not long after I rejoined VA, *The Washington Post* ran a story about the people who answer phones for the White House VA Hotline. I was touched by the patience and compassion of one of the call takers—an Army widow named Mary Hendricks—that I called to thank her and her co-workers for the work they do.
- Then there were the four employees of the Phoenix VA medical center who talked a homeless man out of committing suicide. They were on their way to work when they saw him about to jump from an I-10 overpass. One VA employee did not see the homeless man at first, but he did see his co-workers trying to help the man, so he stopped to help them, and together they saved a life that day.
- Last month, Alethea Varra, a regional director of VA's National Tele-mental Health network, met with Ajit Pai, Chairman of the Federal Communications Commission (FCC), to impress upon him the importance of extending high-speed Internet access to rural Veterans. Varra introduced Pai to a Veteran who lives two hours from the nearest VA clinic but is able to keep weekly appointments with mental health counselors over the Internet. Advocacy is one of our core I-CARE values; Alethea Varra lived up to that value by connecting Pai with Veterans in need.

- There's Dr. Joseph Potkay, a researcher at the University of Michigan who is also a biomedical engineer at the VA in Ann Arbor, and who is working to create a microfluidic artificial lung using a high-resolution 3D printer. If it works, it could revolutionize the treatment of Veterans with lung disease.
- Finally, for the past two years, VA health professionals in West Palm Beach and Miami, Florida, have been treating an Army Veteran with melanoma named John Johnson. This summer—after radiation, surgery, and immunotherapy—Johnson was able to realize his dream of bicycling the mountainous route followed by the Tour de France. He later told us, “I owe the West Palm Beach VA a huge debt of gratitude for making [this ride] possible. ... There are great people who work here, and they deserve thanks and attention. They're fantastic, and they should all be *told*, ‘You're fantastic.’”

These are just a few examples of the people who make me truly thrilled to be part of VA at just this time in its history. They are exceptionally competent and dedicated people, and with the support of the President, the Congress, and our many partners, they are now tackling head-on issues that have lingered for years, including:

- Giving Veterans more choice in their healthcare decisions with passage of the historic MISSION Act,
- Increasing accountability for misbehaving employees and protecting whistleblowers with the establishment of the Office of Accountability and Whistleblower Protection,
- Improving transparency by becoming the first hospital system in the Nation to post online our wait times, opioid prescription rates, accountability, settlement information, and chief executive travel,
- Adopting the same electronic health record as DoD so there is a seamless transfer of medical information for Veterans leaving the service, and
- Overhauling our claims and appeals processes to create a simplified system for filing to provide Veterans with clear choices and timely decisions.

This is not business as usual. This is fundamental transformation, not seen at VA since just after World War II, when General Omar Bradley headed the VA.

My Vision for VA

Many of the issues I encountered as Acting Secretary and more recently as Secretary were not with the quality of medical care but with getting our Veterans through the door to reach that care. Those problems are both administrative and bureaucratic. Alexander Hamilton said that the true test of a good government is its aptitude and tendency to produce a good administration. That is where VA must go.

Our first challenge is to improve the culture to focus our attention and efforts on offering world-class customer service through all our operations. Our second challenge is increasing access to care and benefits through MISSION Act implementation and

business transformation, which includes adopting a new electronic health records system, implementing a new claims appeals process, and modernizing our human resources, financial management, construction program, and supply systems.

Priority 1: Customer Service (CX)

My prime directive is customer service. When a Veteran comes to VA, it is not up to him to employ a team of lawyers to get VA to say yes. It is up to VA to get the Veteran to yes, and that is customer service.

VA receives 140 million phone calls a year. Ten million people contact VA online each month. We have 348 contact centers, hundreds of websites, and dozens of databases. Veterans think of VA as a single entity, but we deliver services in silos, forcing the Veteran to figure out which VA phone number to call, website to search, or office to visit. For many, finding the right office to access the right benefit or service is a fractured, frustrating experience.

Driven by customer feedback, we are integrating VA's digital portals, contact centers, and databases so that Veterans easily find what they need no matter which channel they choose. We have planned a re-launch of our VA.gov website on Veterans Day, and we are unifying Veteran data, adding customer preferences for electronic correspondence to our new Vet360 database and integrating the Vet360 profile service with mobile apps. We are also establishing a governance structure to involve senior VA leadership in the customer-service effort.

Our goal is to make accessing VA services seamless, effective, efficient, and emotionally resonant. The delivery of excellent CX is my responsibility and the responsibility of all VA employees. When the interactions between VA employees and our Veteran customers in these areas are positive, our Veterans will *trust* and *Choose VA*, for their care, benefits, and memorial services across their lifetime.

Customer service must start with VA employees not talking at each other but with each other across all office barriers and across all compartments. If we don't listen to each other, we won't be able to listen to our Veterans and their families and we won't be able to provide the world-class customer service they deserve. We must be a bottom-up organization, with energy flowing upward from those who are closest to those we are sworn to serve. It is from our dedicated employees that the ideas we carry to the Congress, to the Veterans Service Organizations, and to America's Veterans will come. Anyone who sits in this chair and tells you he or she has the answers is in the wrong business.

To help us become the best customer-service team in Government, and earn the trust of our Veterans and their families, caregivers, and survivors, I have issued a policy statement outlining how VA will achieve this goal along three key pillars: CX Core Capabilities and Framework; CX Governance; and CX Accountability. I am holding all VA executives, managers, supervisors, and employees accountable to foster this climate of excellence in customer service. I have also pledged the shared services and support of VA's Veterans Experience Office as a key enabler to help us

all achieve this climate of customer service for both those we serve, and to those we serve alongside.

Priority 2: MISSION Act Implementation

The MISSION Act is landmark legislation that will fundamentally transform VA health care and improve Veterans benefits and services. To ensure VA meets all of the provisions within the MISSION Act, we have established an enterprise program management office, with integrated project teams to implement each specific MISSION Act provisions, led by Acting Deputy Secretary Jim Byrne.

Community Care

The MISSION Act consolidates all of VA's community care efforts into a single program that is much easier to navigate for Veterans, families, VA employees and community providers. This will ensure our Veterans receive the best healthcare possible, whether delivered in VA facilities or in the community. To implement requirements under the MISSION Act for the consolidated VA community care program, VA began drafting the required regulations immediately. Several significant regulations are targeted for publication in the summer of 2019. In the meantime, the MISSION Act includes an additional \$5.2 billion in funding for the Veterans Choice program to continue until June 6, 2019, while VA develops the regulations to implement the new consolidated community care program.

Caregivers Expansion

The MISSION Act also expands eligibility for VA's Program of Comprehensive Assistance for Family Caregivers (PCAFC) beyond post-9/11 Veterans to include eligible Veterans from all eras of service. VA's Caregiver Support Program (CSP) will oversee the expansion, which will occur in two phases:

- Veterans who incurred or aggravated a serious injury in the line of duty on or before May 7, 1975, will begin integrating into the program first.
- Veterans who incurred or aggravated a serious injury in the line of duty between May 7, 1975 and September 11, 2001, will begin integrating into the program two years later.

The timeline for incorporating all eligible Veterans is still under development. To meet the needs of incoming Veterans, CSP must develop and implement a new information technology system to support administrative and record-keeping needs. CSP will soon submit a report to Congress with a timeline for implementation.

VA supports this expansion and recognizes the sacrifice and value of Veterans' family caregivers not only through this program but through its first Federal Advisory Committee for Veterans Families, Caregiver and Survivors and its new Center of Excellence for Veteran Caregiver Research. Caregivers and Veterans can learn about the full range of available support and programs by visiting www.caregiver.va.gov or by contacting the Caregiver the Caregiver Support Line toll-free at 1-855-260-3274.

Priority 3: Business Transformation

Business transformation is essential if we are to move past compartmentalization of the past and empower our employees serving Veterans in the field to provide world-class customer service. This means reforming the systems responsible for claims appeals, GI Bill benefits, human resources, financial and acquisition management, supply chain management, and construction. Office of Enterprise Integration (OEI) is charged with coordination and oversight for these efforts.

Appeals Modernization

The Veterans Appeals Improvement and Modernization Act of 2017 was signed into law on August 23, 2017, and takes full effect in February 2019. VA is on track to implement the law by that timeframe. The Appeals Modernization Act transforms VA's complex and lengthy appeals process into one that is simple, timely and fair to Veterans. The new appeals process will feature three decision-review lanes:

- Higher-Level Review Lane: A senior-level claims processor at a VA regional office will conduct a new look at a previous decision based on the evidence of record. Reviewers can overturn previous decisions based on a difference of opinion, or return a decision for correction.
- Supplemental Claim Lane: Veterans can submit new, relevant evidence to support their claim and a claims processor at a VA regional office will assist in developing evidence.
- Appeal Lane: Veterans will have the option to appeal a decision directly to the Board of Veterans' Appeals (Board).

The law created the Rapid Appeals Modernization Program (RAMP), which allows Veterans with a pending disability compensation appeal to participate immediately in the new appeals process. About 48,000 Veterans with more than 57,000 appeals have opted into RAMP so far, and VA has paid over \$66 million in retroactive benefits as of August 2018. While focusing on the timely implementation of the Appeals Modernization Act, the Board has also completed a record number of more than 81,000 decisions to Veterans for Fiscal Year 2018. The Board is focused on developing and updating information technology systems for the new claims and appeals process, developing and refining meaningful metrics, providing training across VA for employees, adding appropriate resources for deployment and collaborating with stakeholders throughout the implementation process.

Forever GI Bill

Since the law was signed last August, VA has implemented 28 of the law's 34 provisions. Twenty-two of the law's 34 provisions require significant changes to VA information technology systems, and VA has 200 temporary employees in the field to support this additional workload. Sections 107 and 501 of the bill change the way VA pays monthly housing stipends for GI Bill recipients and VA is committed to providing a solution that is reliable, efficient and effective. Further system changes and modifications are being made and testing is ongoing on the IT solution for Sections 107 and 501. VA will announce

a deployment date upon completion of testing. Pending the deployment of a solution, Veterans and schools will continue to receive GI Bill benefit payments as normal.

Financial Management Systems

VA's financial management system is 30 years old and continued reliance on it presents an enormous risk to VA operations. The technical and functional ability to support these legacy applications gets more difficult with each passing year. Our Financial Management Business Transformation (FMBT) program will replace VA's financial management and acquisition system with new systems that will increase transparency, accuracy, timeliness, and reliability of financial information across VA, improving fiscal accountability to taxpayers and enabling VA employees to better care for and serve Veterans. FMBT will provide a modern, Integrated Financial and Acquisition Management System (iFAMS), an acquisition solution with transformative business processes and capabilities that enable VA to meet its goals and objectives in compliance with financial management legislation and directives.

Supply Chain Transformation

Effective management of the supply chain is a major differentiator between high- and low-quality healthcare systems, yet the 2016 Commission on Care concluded that the Veterans Health Administration (VHA) could not modernize its supply chain to overcome cost inefficiencies because it is burdened with confusing organizational structures, lack of expert leadership, antiquated IT systems that inhibit automation, bureaucratic purchasing requirements and procedures, and an ineffective approach to talent management. In response, VHA has embarked on a supply chain transformation program designed to build a lean, efficient supply chain that provides timely access to meaningful data focused on patient and financial outcomes. To date, VHA has established a standardized supply chain organizational structure, a robust supply-chain training and development program, an integrated data analysis capability, and a comprehensive equipment lifecycle management program. VHA is continuing to work on data standardization and governance, supply chain innovation center, and a clinically driven strategic sourcing program.

Priority 4: VA/DoD Collaboration

Electronic Health Record Modernization (EHRM)

VA has made a historic decision to modernize its electronic health record (EHR) system to provide our Nation's Veterans with seamless care as they transition from military service to Veteran status and whether they choose to use VA care or community care. To that end, VA has established the Office of Electronic Health Record Modernization (OEHRM) to ensure VA successfully prepares for, deploys and maintains the new EHR solution and the health IT tools dependent upon it. The OEHRM Executive Director is Mr. John Windom, who has been with the effort since its inception and has the necessary expertise and institutional knowledge to effectively lead this initiative. Prior to joining VA, Mr. Windom was a Program Manager for the Program Executive Office of the Defense Healthcare Management Systems (DHMS). He led his team to acquire, test, integrate and

deploy a new EHR system to replace DoD's legacy EHR system in support of over 9.6 million military service members and other beneficiaries.

OEHRM is working closely with DoD to ensure we are deploying an EHR that is fully interoperable. Veterans Integrated Service Network (VISN) 20 in the Pacific Northwest has been selected as the first Initial Operating Capability (IOC) site to deploy and test VA's new EHR solution. Engaging front-line staff and clinicians is a fundamental aspect in ensuring we meet the program's goals and we have begun work with the leadership teams in place in the Pacific Northwest. OEHRM has established clinical councils from the field that will develop national workflows and serve as change agents at the local level. The work at the IOC sites will help VA identify efficiencies to optimize the schedule, hone governance, refine configurations and standardize processes for future locations. We are committed to a timeline that makes sense and are also working with DoD to understand the challenges and obstacles they are encountering, adapt our approach to mitigate those issues, and identify efficiencies.

Suicide Prevention

Suicide prevention is a top priority for VA. Of the twenty (20) Veterans, active-duty Service members and non-activated Guard or Reserve members who died by suicide, fourteen (14) have not been in our care. That is why we are implementing broad, community-based prevention strategies, driven by data, to connect Veterans outside our system with care and support. In June, VA published a comprehensive national Veteran suicide prevention strategy that encompasses a broad range of bundled prevention activities to support the Veterans who receive care in the VA healthcare system as well as those who do not come to us for care.

Preventing suicide also requires closer collaboration between VA and DoD. To that end, President Trump issued an executive order January 9, 2018, to assist Service members and Veterans during their transition from uniformed service to civilian life, focusing on the first 12 months after separation from service, a critical period marked by a high risk for suicide, during which—

- Service members will learn about VA benefits and start enrollment before becoming Veterans.
- Any newly transitioned Veteran can go to a VA medical center or Vet Center and start receiving mental health care right away.
- Former Service members with other than honorable discharges can receive mental health care from VAMCs in the first 12 months after separation.
- Transitioning Service members and Veterans will be able quickly to find information online about their eligibility for VA care.

Every day, more than 400 Suicide Prevention Coordinators (SPC) and their teams—located at every VA medical center—connect Veterans with care and educate the community about suicide prevention programs and resources. Through innovative screening and assessment programs such as REACH VET (Recovery Engagement and Coordination for Health—Veterans Enhanced Treatment), VA identifies Veterans who may be at risk for suicide and who may benefit from enhanced care, which can include follow-ups for missed appointments, safety planning, and care plans.

VHA has also expanded its Veterans Crisis Line to three call centers and increased the number of Veterans served by the Readjustment Counseling Service (RCS), which provides services through the 300 Vet Centers, 80 Mobile Vet Centers (MVC), 18 Vet Center Out-Stations, over 990 Community Access Points and the Vet Center Call Center (877-WAR-VETS). In the last two fiscal years, Veterans benefiting from RCS services increased by 31 percent, and Vet Center visits for Veterans, Service members, and families increased by 18 percent.

We are committed to advancing our outreach, prevention, and treatment efforts to further restore the trust of our Veterans and continue to improve access to care and support inside and outside VA.

Additional Priorities

Accountability

Everyone recognizes that VA has struggled in the past to hold employees accountable when they violated the public trust and to protect whistleblowers from retaliation. That is why last year President Trump signed an executive order establishing VA's Office of Accountability and Whistleblower Protection (OAWP). The first office of its kind in the federal government, OAWP has changed dramatically the way VA handles accountability and whistleblower issues, ensuring adequate investigation and correction of wrongdoing throughout VA while also protecting employees who lawfully disclose wrongdoing from retaliation.

OAWP is dedicated and empowered to provide transparency and build public trust and confidence in VA. The office improves the performance and accountability of VA senior executives and employees through thorough, timely, and unbiased investigation of all allegations and concerns. When allegations are substantiated, OAWP recommends actions to be taken, which can include removal, demotion, or suspension based on poor performance or misconduct.

OAWP has worked a full range of case since its inception, receiving 2,000 disclosures in its first year. In that year, the average investigation cycle time declined from 163 days to 100 days. From June 23, 2017, through June 1, 2018, OAWP completed 128 senior-leader investigations involving 236 persons; discipline was recommended in 54 cases involving 58 persons.

Women's Health

VA has made significant progress in serving women Veterans in recent years and now provides full services to women Veterans, including comprehensive primary care, gynecology care, maternity care, specialty care, and mental health services. For severely injured Veterans, we also now offer in vitro fertilization services through care in the community and adoption services.

The number of women Veterans using VHA services has tripled since 2000, growing from 159,810 to 484,317. To accommodate the rapid growth, VHA has expanded services and sites of care across the country. VA now has at least one Women's Health

Primary Care Provider (WH-PCP) at all of VA's healthcare systems. In addition, 90 percent of community-based outpatient clinics (CBOCs) have a WH-PCP in place. VHA now has gynecologists on site at 133 sites and mammography on site at 60 locations.

VHA is in the process of training additional providers so that every woman Veteran has an opportunity to receive her primary care from a WH-PCP. Since 2008, 5,800 providers have been trained in women's health. This fiscal year, 756 Primary Care and Emergency Care Providers were trained in local and national trainings. VA has also developed a mobile women's health training for rural VA sites to better serve rural women Veterans, who make up 26 percent of women Veterans.

VA is at the forefront of information technology for women's health and is redesigning its electronic medical record to track breast and reproductive health care. Quality measures show that women Veterans who receive care from VA are more likely to receive breast cancer and cervical cancer screening than women in private sector health care. VA also tracks quality by gender and, unlike some other healthcare systems, has been able to reduce and eliminate gender disparities in important aspects of health screening, prevention, and chronic disease management. We are also factoring care for women Veterans into the design of new VA facilities and using new technologies, including social media, to reach women Veterans and their families. We are proud of our care for women Veterans and are working to increase the trust and knowledge of VA services of women Veterans so they choose VA for benefits and services.

Community Living Centers (CLC)

This is the first year VA has compiled ratings for our nursing homes using the Center for Medicare and Medicaid Services rating system. We are now able to present an apples-to-apples comparison of VA homes with private facilities. The data show that, overall, VA's nursing home system compares closely with the private sector, even though VA cares for sicker patients—with conditions such as prostate obstruction, spinal cord injury, mental illness, homelessness, PTSD, combat injury, terminal illness—in its homes than do private facilities. Private-sector nursing homes also admit patients selectively, whereas VA cannot refuse service to any eligible Veteran, to the extent resources are available. These factors make achieving quality ratings comparable to the private sector more challenging.

Hiring and Vacancies

VHA's workforce challenges mirror those of the health care industry as a whole. There is a national shortage of healthcare professionals, especially for physicians and nurses. VA remains fully engaged in a fiercely competitive clinical recruitment market and has increased its number of clinical providers including hard-to-recruit-and-retain physicians such as psychiatrists. Additionally, VHA is taking a number of key steps to attract qualified candidates, including:

- Mental Health and other targeted hiring initiatives
- Leveraging flexible pay ranges resulting in competitive physician salaries
- Utilization of recruitment/relocation and retention (3Rs) incentives and the Education Debt Reduction Program (EDRP)

- Targeted nationwide recruitment advertising and marketing
- The “Take A Closer Look at VA” trainee outreach recruitment program
- Expanding opportunities for telemedicine providers
- DoD/VA effort to recruit transitioning service members
- Exhibiting regularly at key health care conferences and job fairs
- Critical Position Hiring and Vacancies

VA had a net gain of 7,423 employees in FY 2017. So far in FY 2018 (October 1, 2017 to July 31, 2018), VA has seen a net increase of more than 9,500 employees, including 3,600 in mission-critical occupations. As of June 30, VA had 45,239 overall vacancies, out of a total of 419,353 full-time authorized and budgeted positions. From the start of fiscal year 2014 to the end of FY 2017, VA achieved a growth rate of 12.5 percent and an average annual turnover rate of 9.2 percent. VA turnover rates compare favorably with other large cabinet-level agencies, which averaged 11 percent in FY 2017.

Wait Times

VA is providing more healthcare appointments than ever before, authorizing 32.7 million appointments in FY 2017, nearly two million more than in the previous year. All VA health care facilities now provide same-day urgent primary and mental health care services for Veterans who need them. In June 2018, VA completed 95.18 percent of appointments within 30 days of the clinically indicated or Veteran’s preferred date; 83.46 percent within 7 days; and 20.29 percent the same day. The average time it took to complete an urgent referral to a specialist has decreased from 19.3 days in FY 2014 to 3.2 days in FY 2017 and 2.0 days in FY 2018—this number continues to improve and is now down to 1.3 days during July of 2018.

Blue Water Navy

VA’s view is that the commitment to science and an evidence-based approach to creating or expanding presumptions should be maintained. Presumptions of exposure and/or medical causation should always be supported by historical, scientific, and/or medical evidence about the specific population of Veterans affected. While VA continues to study the science of exposure, we do not believe the available scientific evidence currently supports a presumption of service connection in this case.

We are also concerned that congressionally mandated presumptions not supported adequately by evidence would erode confidence in the soundness and fairness of the Veterans’ disability benefits system, creating the impression that the system can be gamed by political activism. Such statutory presumptions will lead to increased pressure on VA to create or expand additional presumptions administratively, under a similarly liberal approach favoring less deserving but politically demanding Veterans over more deserving Veterans who trust VA to do the right thing for all Veterans.

VA estimates a total cost of \$6.7 billion over ten years associated with such a presumption, including \$5.7 billion for mandatory benefit payments, \$625 million for health care costs, and \$357 million for discretionary costs to administer benefit payments. Such a presumption would also impact VA’s ongoing efforts to reduce the appeals and claims processing backlogs. The accomplishments VA has made with Congressional assistance

will be stymied by VA's requirement to verify and study in great detail over 30,000 previously-denied claims in the first year alone and adjudicate more than 230,000 claims over 10 years, adding time to our 125-day claims processing goal.

Conclusion

Mr. Chairman, I would like to again thank Congress for passing VA's FY 2019 funding bill. Starting the fiscal year with our full year's appropriations in place is extremely important as we implement the laws Congress has passed.

As I mentioned, we have instituted new management processes that will facilitate successful implementation of these laws. This will be a long journey that will not be accomplished overnight. I am committed to providing you with regular updates on our progress and the challenges that arise. However, I respectfully ask for time to implement and evaluate the programs. We cannot keep changing course, or stop everything we are doing to provide updates or respond to inquiries if we are serious about getting to our destination. I need your help on this.

As we look to the next few years and full implementation of the new Veterans Community Care Program and an expanded Caregivers Program, VA will need to resolve the necessary funding requirements to meet Congress's intent. We are embarking on the most comprehensive improvements to Veterans care and benefits since World War II. We will need the resources to complete this work and I look forward to working with you on that.

Mr. Chairman, I look forward to working with you and this Committee and appreciate your many courtesies to me. I am also eager to continue building on the reform agenda I was privileged to work along with Senator Tester and Senator Tillis. The mission of this Committee is clear—you help remind all Americans why they sleep soundly at night because of those who sacrificed in uniform. There is no more noble mission in all of government.

Thank you.