

1 THE FISCAL YEAR 2014 BUDGET FOR VETERANS' AFFAIRS

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3 MONDAY, APRIL 15, 2013

4 United States Senate,  
5 Committee on Veterans' Affairs,  
6 Washington, D.C.

7 The Committee met, pursuant to notice, at 2:30 p.m., in  
8 Room 418, Russell Senate Office Building, Hon. Bernie  
9 Sanders presiding.

10 Present: Senators Sanders, Rockefeller, Tester,  
11 Begich, Blumenthal, Hirono, Burr, Isakson, Johanns, Moran  
12 and Boozman.

13 OPENING STATEMENT OF CHAIRMAN SANDERS

14 Chairman Sanders. Okay. We have got a lot of work, so  
15 let's get the hearing underway.

16 And I want to welcome everyone to this afternoon's  
17 hearing on the fiscal year 2014 budget and the fiscal year  
18 2015 advanced appropriations request for the Department of  
19 Veterans Affairs.

20 Earlier this year, as I think we will all recall, we  
21 heard from nearly all of the veterans service organizations.  
22 These groups shared with us their priorities which reflect  
23 the needs of the men and women who have served our country.  
24 And I want to thank all of the service organizations not  
25 only for the important testimony but for the great work they

1 do every single day, protecting the interests of America's  
2 veterans.

3 If there is anything that many of us have learned in  
4 recent years, it is that the real cost of war is far, far  
5 greater than simply paying for the tanks and guns and planes  
6 and the manpower to fight those wars. I believe that we now  
7 understand more fully than we have in the past that soldiers  
8 who come home from war are often very different people than  
9 when they went.

10 We now understand that the cost of war includes  
11 significant care not only for those who lost their legs and  
12 their arms and their eyesight but for those who came home  
13 with what we now call the invisible wounds of war. Most  
14 recently, this includes the tens and tens of thousands of  
15 brave soldiers who returned from Iraq and Afghanistan with  
16 traumatic brain injury and post-traumatic stress disorder.

17 So, while this \$152 billion budget we discuss today is  
18 a complicated document with a whole lot of numbers, it all  
19 comes down to how the people of our country, through their  
20 government, honor their commitments to those who have  
21 sacrificed so much and to the spouses and children who have  
22 often also sacrificed.

23 In their testimonies, the VSOs discussed many of the  
24 important and positive things that the VA does. And  
25 sometimes we overlook that, but let me talk a little bit

1 about what the VSOs discussed.

2 Terms of health care. In a nation with over 45 million  
3 people lacking any health insurance and at a time when the  
4 cost of health care in this country is far higher than any  
5 other country on Earth, the VA is recognized by many as  
6 providing excellent quality health care in a cost-effective  
7 way to those who have served our country. Like every other  
8 health care organization, the VA can do better--and it must  
9 do better--but most will agree that the VA has come a very  
10 long way in the last 20 to 30 years in terms of health care.

11 Terms of another important issue--homelessness. At a  
12 time when too many Americans and people in my own State of  
13 Vermont are sleeping out in the streets or in their cars,  
14 the VA has undertaken an aggressive and successful effort to  
15 significantly reduce the number of homeless veterans in our  
16 country. Since 2009, there has been a 17 percent decline in  
17 veterans homelessness despite the tough economy; that is the  
18 good news. The bad news is that there were still more than  
19 62,000 homeless veterans in January of 2012.

20 The VA must sustain its positive efforts in combating  
21 veterans homelessness. Progress is being made. More must  
22 be done.

23 Through its world-class research program, the VA is  
24 making significant advances in health care not only for  
25 veterans but for the entire country. That progress must

1 continue.

2 The VSOs, while praising the VA in many areas, also  
3 highlighted the significant challenges and problems that  
4 continue to confront veterans of all generations, and I  
5 agree with many of their concerns.

6 Among many other issues, they spoke of the obligation  
7 to address the tragic number of service member and veteran  
8 suicides. This is a horrendous tragedy. It is a tough  
9 issue. We have got to address it.

10 Further, the need to accelerate the transformation of  
11 the compensation claims system in order to deal with the  
12 unacceptably long delays that we are now seeing and the huge  
13 backlog in cases--if there is any issue that I think  
14 veterans and the veterans community is concerned about, it  
15 is that issue, and I share that concern.

16 While the VA is now processing far more claims than  
17 ever before, the movement to a paperless and efficient  
18 system must be completed on schedule. And I know we will be  
19 discussing that issue during this hearing.

20 Further, the responsibility to make smart investments  
21 in infrastructure and information technology systems to  
22 ensure that the VA can continue to provide the care and  
23 benefits veterans have earned is a major issue. This means--  
24 --and this, again, is a huge issue which this Committee will  
25 delve into--a significant improvement in the relationship

1 between the VA and the Department of Defense. We may be  
2 dealing with two separate agencies, but we are dealing with  
3 one human being who goes through the DoD into the VA.

4 I believe that this year's budget request, especially  
5 within the overall budget restraints facing Congress, again  
6 reflects a strong commitment by this Administration to  
7 providing veterans and their families with the care and  
8 benefits they deserve.

9 This year's total budget request is \$152.7 billion--  
10 \$86.1 billion for mandatory entitlements and \$66.5 billion  
11 for the discretionary account. This is a 10.2 percent  
12 increase over last year's enacted amount.

13 While the VA budget presented by the Administration is  
14 a strong one, and I applaud the President for that, I remain  
15 deeply disappointed that the White House included in their  
16 budget request the so-called chained CPI. Switching to a  
17 chained CPI would mean major cuts in Social Security and the  
18 benefits that disabled veterans receive. Veterans who  
19 started receiving VA disability benefits at age 30 would  
20 have their benefits reduced by \$1,425 at age 45, \$2,341 at  
21 age 55 and over \$3,000 a year at age 65--tens of thousands  
22 of dollars within their lifetime. This, to my mind, is  
23 unconscionable, and I will do all that I can to prevent  
24 these cuts from taking place.

25 When it comes to the issue of funding for suicide

1 prevention, the budget is literally a matter of life or  
2 death. Ensuring timely access to high quality mental health  
3 care is critical for our veterans and their loved ones. To  
4 that end, I am pleased to see the President's budget  
5 recommendation calls for a 7.2 percent increase in funding  
6 for mental health.

7       At our last hearing, when we discussed the issue of  
8 mental health and suicide, Dr. Petzel testified that the VA  
9 is on track to hire the 1,600 mental health clinicians  
10 called for in the President's executive order by the  
11 deadline of June 30th. As I noted at that hearing, I remain  
12 concerned the VA has hired just 47 clinicians in the 2  
13 months previous to that hearing. I understand VA must  
14 ensure that they are hiring high quality clinicians, but VA  
15 must pick up the pace of hiring if it intends to meet its  
16 goal of 1,600 new clinicians by the end of June of this  
17 year.

18       When hiring these clinicians, the VA must recognize  
19 that individual veterans respond differently to different  
20 treatments and not all veterans respond well to traditional  
21 therapies. I appreciated Senator Boozman at our last  
22 hearing raising the important issue of over-medication of  
23 veterans seeking mental health treatment. I share that  
24 concern, as I believe do many Americans.

25       I also know that many veterans respond positively to

1 complementary and alternative medicine. As the name  
2 indicates, such treatments--which include therapies such as  
3 acupuncture, guided imagery, meditation, chiropractic care  
4 and yoga--can be provided in conjunction with traditional  
5 care or as stand-alone care. I commend the VA's top  
6 leadership for embracing these therapies but worry that that  
7 interest has not penetrated all levels of the VA health care  
8 system. VA must do a better job to make sure that these  
9 therapies are available to all interested veterans.

10 In terms of the claims backlog, the fact that nearly 70  
11 percent of claims are pending longer than 125 days is  
12 completely unacceptable as is the fact that it took, on  
13 average, 287 days to complete a compensation rating claim in  
14 2012. The inability to provide compensation benefits in a  
15 timely manner tarnishes VA's reputation among the very  
16 population it serves. I never want a veteran's negative  
17 experience with the claims system to prevent him or her from  
18 seeking mental health care or help in battling homelessness.

19 Mr. Secretary, I see your testimony reiterates VA's  
20 goal of eliminating the claims backlog by 2015. VA has set  
21 ambitious goals, put forward a plan and has been working  
22 hard to transform the system.

23 I think we can all agree that the VA took too long to  
24 start transforming itself from a paper-based to electronic  
25 system. Clearly, that effort should have begun a decade

1 ago, or longer, and not just four years ago. Yet, despite  
2 these facts, one must certainly understand how it is  
3 difficult for the average person to believe VA is making  
4 progress when we continue to see the unacceptably long wait  
5 times faced by veterans and their survivors in obtaining  
6 benefits.

7 VA must do a better job of showing not only the  
8 Congress but also veterans and their survivors about how VA  
9 plans to accomplish their ambitious goals. And I look  
10 forward to working with you to establish benchmarks which  
11 will allow us to see the progress, or lack of progress, that  
12 VA is making in this vitally important area.

13 VA must be able to construct, in addition, repair or  
14 lease the physical infrastructure necessary to provide the  
15 high quality care that veterans deserve. Yet, for the  
16 fourth year in a row the President's request has been out of  
17 touch with the realities on the ground. Adequate funding to  
18 maintain VA's aging infrastructure must be a critical part  
19 of the discussion on providing quality health care.

20 Further, the fiscal year 2014 budget request includes  
21 another 13 major medical facility leases but does not  
22 include funding for the full cost of authorizing these  
23 leases despite the challenges Congress is still working to  
24 surmount. This is an issue I would like to address later  
25 today.



1           Lastly, let me repeat; the importance of information  
2   technology cannot be understated as VA seeks to deliver the  
3   care and benefits that our veterans deserve in a more  
4   efficient and effective way. And I think the bottom line  
5   there is there must, must, must be much better cooperation  
6   between the DoD and the VA.

7           So let me conclude my remarks by thanking the Secretary  
8   and his staff for being with us today. The issues that we  
9   are going over are of enormous importance to millions of  
10  veterans and the American people. And I look forward to a  
11  very productive hearing.

12          Senator Burr.

13                           OPENING STATEMENT OF SENATOR BURR

14          Senator Burr. Good afternoon, Mr. Chairman.

15          And, Secretary Shinseki, welcome. And to your team,  
16  welcome.

17          Mr. Chairman, thank you for that very thorough opening  
18  statement.

19          As the Chairman indicated, we will be discussing the  
20  President's budget request for the Department of Veterans  
21  Affairs for fiscal year 2014.

22          As I have said at past budget hearings, it is important  
23  that we provide adequate funding for the VA so that all  
24  veterans receive the benefits and care that they earn and  
25  deserve. Yet, along with that funding, we must conduct

1 vigorous oversight to make sure programs which benefit  
2 veterans are working properly and lead to better outcomes  
3 for veterans, their families and their survivors.

4 Yet, in looking over the budget request, the lack of  
5 consistent predictions and a lack of transparency lead me to  
6 question if VA's stewardship of the taxpayers' money is  
7 leading to better outcomes.

8 First, VA has been consistently inconsistent with its  
9 workload projections. These changing projections mask  
10 whether they have the backlog situation under control.

11 And, second, the unclear accounting practices in the IT  
12 budget make it difficult for us to conduct the necessary  
13 oversight into these programs.

14 Regarding claims processing, we all know that the  
15 backlog and delays have gotten worse over the past four  
16 years even though VA has hired more staff, spent millions on  
17 IT solutions and rolled out dozens of initiatives. Today,  
18 we will again hear VA assure that despite these trends this  
19 situation will be completely under control by 2015, but in  
20 my view, this budget provides one more reason to seriously  
21 question those assurances.

22 For starters, the budget reflects that in 2013 and 2014  
23 VA will receive 2.6 million claims and decide 2.5 million.  
24 But in the VA's strategic plan for eliminating the backlog,  
25 which was sent to Congress less than three months ago, VA

1 projected output of 2.8 million claims during those years.

2 That means VA has already lowered its productivity

3 expectations by 12 percent.

4 As for receipts, the backlog plan estimated that VA  
5 would take in 2.7 million claims and next year combined, but  
6 VA acknowledged it could receive as many as 774,000  
7 additional claims as a result of recent laws. Despite that  
8 caution, the budget shows that VA will have even lower  
9 receipts in those years than the backlog plan estimated.

10 The budget also reflects that incoming claims will  
11 continue to exceed output during this year and next year--  
12 2013 and 2014--which means that the number of pending claims  
13 will continue to grow. In fact, VA now projects that it  
14 will have an inventory of roughly 960,000 claims at the end  
15 of 2014--about 100,000 more than are pending today.

16 Compare that with VA's backlog plan, which predicted  
17 that the decisions would outpace claims receipts next year,  
18 and as a result the level of claims would drop to less than  
19 800,000.

20 Finally, the budget projection projects that no more  
21 than 40 percent of claims will be pending long enough this  
22 year and in 2014 to be considered backlog even though 70  
23 percent of claims are currently backlogged. On the other  
24 hand, VA's strategic plan showed a backlog of 68 percent  
25 this year and 57 percent next year, just 3 months ago.

1           Even if VA has updated these estimates based on more  
2 recent data, it is difficult to understand how all of these  
3 projects could change so dramatically in less than 12 weeks.  
4 These fluctuating predictions, together with a history of  
5 missed milestones and deteriorating performance, make it  
6 extremely difficult to believe that VA has the backlog  
7 situation under control.

8           As I said earlier, another area for me is the ambiguity  
9 of the IT projects that are becoming the backbone of  
10 operations at VA medical centers and VA regional offices.

11           Currently, VA has several IT projects that are vital to  
12 providing benefits and services to our Nation's veterans.  
13 In the President's request, the Office of Information  
14 Technology, or OIT, requested roughly \$3.7 billion--a \$360  
15 million increase over last year.

16           There are three areas of concern within the IT budget I  
17 believe are worth highlighting.

18           First, OIT requested \$252 million for the IPO for  
19 development activities of the iEHR and VLER. How much of  
20 this money will be spent on a new strategy of quick wins  
21 versus the 2 initial operating capabilities at 2 sites in  
22 2014 is a question.

23           Second, according to the budget justifications, the  
24 2014 allocation for VBMS development is roughly \$33 million,  
25 which would be a \$71 million decrease from fiscal year 2012.

1   However, we are being told that there is another \$155  
2   million for VBMS in this budget. A question: Is this  
3   additional funding coming from VBA's budget?

4           Finally--and my question from last year's budget  
5   hearing--I asked about the cost of the new patient  
6   scheduling system. VA's response stated that they plan to  
7   have a new patient scheduling system--plan to have a life  
8   cycle cost estimate completed by January 2013.

9           As of today this life cycle cost analysis is yet to be  
10   submitted to my office. Since the 2014 budget request has a  
11   \$30 million allocation for the development of a new  
12   scheduling package, I wonder if the life cycle cost analysis  
13   has now been completed.

14           This unclear nature of the IT budget stands in the way  
15   of Congress's ability to conduct effective oversight in  
16   these programs to make sure they are working properly and,  
17   more importantly, meeting their milestones. Unfortunately,  
18   these inconsistent projections and lack of transparency are  
19   becoming the standard operating procedure at VA, which is  
20   even more troubling when it is our Nation's veterans that  
21   stand to lose the most.

22           Mr. Chairman, I thank you, and I look forward to  
23   spending some time with our panel today.

24           Chairman Sanders. Senator Burr, thank you very much.

25           Senator Rockefeller.

1                   OPENING STATEMENT OF SENATOR ROCKEFELLER

2           Senator Rockefeller. Thank you, Mr. Chairman.

3           And I welcome General Shinseki and his staff, as we all  
4 do.

5           I just want to recount to my colleagues that I spent a  
6 very, very long time last week talking with General Shinseki  
7 about how one takes a 220,000-person agency and gets it to  
8 be responsive on all kinds of different issues, many of  
9 which have been mentioned today and some more of which I  
10 will mention.

11          The General actually has done a lot of work on  
12 management over the course of his life, and training, and he  
13 described how he broke the 220,000 down into blocks and then  
14 blocks within blocks, all of them to be held accountable,  
15 all evaluating themselves, being evaluated.

16          The reason I say this is because I really do not know  
17 of any job which has such a human poignancy to it in its  
18 work and yet has complexity and bulk at the level that the  
19 VA has.

20          I think you are a superb General of that VA, but I just  
21 want to say that. We talk about claims and all the rest of  
22 it. I mean, you are really working at, and I believe that.

23          Does that give veterans enough comfort? No, but  
24 everything in life is a process and the process is either  
25 pushed from above or it is not.

1           As you and I discussed, General, a number of years ago,  
2 all of a sudden the VA, medically, went from sort of a not  
3 really very, very good place to a really good place. And we  
4 both, at the same time, said Ken Kizer.

5           Ken Kizer had been sitting out in that row for years.  
6 I knew his position. I had no idea until he left the effect  
7 that he had and which lasts today.

8           I don't want Johnny Isakson, who is my dear friend, to  
9 be mad at me if I say something nice about the President,  
10 but I am really struck, Mr. Chairman, by the specificity and  
11 directness of the budget increases which the President, with  
12 the entire rest of the world claiming every nickel that he  
13 doesn't have in his government--what he has done to make  
14 your mission more amenable to your leadership, and not in  
15 all fields and not with all problems. But he has given a  
16 vote of confidence, and more importantly than that, he has  
17 spoken very strongly to the veterans.

18           I do not usually say things like that at hearings, but  
19 I just wanted to in this case.

20           A 10.2 increase percent is huge. You know. We throw  
21 those numbers around and soon forget them, but this will not  
22 be forgotten.

23           Nevertheless, I am also very concerned about the  
24 persistent problems that have been addressed by the two  
25 speakers prior to me--the needs of the rapidly growing

1 veterans community to the backlog in veterans' claims. I am  
2 actually not sure whether it is 600,000, or at one point, I  
3 heard it was 800,000. In one sense, it does not make any  
4 difference. It is so many.

5 And, yes, you are attacking that. You are bringing in  
6 mental health. You are meant to have 1,600. I think you  
7 have over 1,200. People all over the country--hospitals--  
8 are screaming and yelling because you are taking some of  
9 their best people. And, well done.

10 But the importance of that, as Chairman Sanders  
11 indicated, is so incredibly important. Mental health care  
12 is so much and so recently, powerfully, on the minds of all  
13 of us. I think Americans in general, American families,  
14 within families, and even Senators as policymakers, are  
15 capable of seeing those kinds of things.

16 There is no quick fix for health care, mental health  
17 care, claims, anything else. There is the need for a  
18 persistent drive--a driving agenda when the Secretary and  
19 his team come to work every day, determined as you are, sir,  
20 to make a difference as best as you can.

21 I am disturbed by the fact that this very promising VA  
22 joining with DoD on IT and other things, which was quite  
23 vibrant seven or eight years ago, has now kind of been  
24 called off. And I want to ask, why and what price do we  
25 pay, or what can be done?



1 I would just say to my friends on this Committee that  
2 we are very, very lucky to serve here. I've been on here  
3 every year that I've ever been in the Senate, which some may  
4 think is 1 or 2 but actually is 28 years. And it is a  
5 proud, proud service.

6 You know, in West Virginia we have so many veterans;  
7 everybody does. The work is powerful in its policy. It is  
8 powerful in its poignancy.

9 And I commend you for the work to be done, but I still  
10 have questions I want to ask.

11 Thank you, Mr. Chairman.

12 Chairman Sanders. Thank you, Senator Rockefeller.

13 Senator Johanns.

14 OPENING STATEMENT OF SENATOR JOHANNS

15 Senator Johanns. Mr. Chairman, thank you and thank you  
16 for calling this hearing on this budget request.

17 Mr. Secretary, it is good to see you again. One of the  
18 things that I appreciate, and I know the other members  
19 certainly would also, is your willingness to stop by our  
20 offices and talk to us about the issues that are of concern  
21 to us.

22 I also want to indicate, as a former department head, I  
23 understand the complexities of putting together a budget  
24 that meets the priorities of the President of the United  
25 States, and I also understand the challenges in trying to

1 touch all of the bases.

2 There are many challenges facing the VA. The Chairman  
3 and the Ranking Member went through those. I will not take  
4 up time this afternoon and go through them item by item  
5 myself.

6 There are a couple of things that I did want to  
7 mention. The first one is one that I appreciate a great  
8 deal. As you know, for some period of time, a number of us  
9 have been working on a VA cemetery in the Omaha area. I do  
10 want to thank you for including that in the fiscal year 2014  
11 budget request.

12 There are about 112,000 veterans and their families who  
13 currently do not have a VA cemetery within 75 miles that  
14 will be very positively impacted. I did not want the start  
15 of this hearing to go by without me saying how much I  
16 appreciate that.

17 In addition, I also wanted to mention; on a more  
18 concerning note, though, is the issue of facilities. As I  
19 mentioned, I have gone through these budget efforts, where  
20 you are trying to put together the necessary funds and get  
21 it passed through OMB, et cetera, and one of the things that  
22 always tends to slip is the capital improvements. It is  
23 just the reality of what we deal with. You have real human  
24 beings with real human needs that you need to find funding  
25 for.

1           But I think about the facility in Omaha, but I do not  
2   want this to be just about that facility because I know  
3   there are problems all over the country where we are dealing  
4   with 1950s-era buildings. Recently, in the Omaha VA they  
5   closed the operating suite for much needed repairs. I am  
6   sure there are stories that could be told about that kind of  
7   thing all across the country.

8           So, as we go through the hearing this afternoon, I  
9   would like to spend a little bit of time on facility needs  
10   around the country and how you think we are doing in  
11   addressing that because I do believe it is an important  
12   issue and, again, I recognize it is an issue that I would  
13   suspect slips as the budget gets put together.

14          With that, I do want to thank you for being here and  
15   look forward to your testimony.

16          Thank you, Mr. Chairman.

17          Chairman Sanders. Well, thank you, Senator Johanns.  
18   Senator Tester.

19                    OPENING STATEMENT OF SENATOR TESTER

20          Senator Tester. Yes, thank you, Mr. Chairman.

21          I want to thank each and every one of you for being  
22   here today. I have had a chance to work with, I think,  
23   every one of you pretty closely, and I appreciate that.

24          A special thanks to the Secretary--thank you, General.  
25   Thank you for being here. Thank you for the work you do.

1           You have been saddled with a tough job, and you have  
2   received some criticism. I just want to say some of it has  
3   been pretty unfair criticism, and I think you have done a  
4   great job considering the conditions that you are faced with  
5   in this position. And I appreciate your leadership, and I  
6   appreciate your service to the country very much.

7           Now I will be the first to tell you--and you know this--  
8   -I do not agree with everything you have done, and there is  
9   plenty to improve upon. But I think we have made great  
10   strides under your leadership, working with some incredibly  
11   complex issues--the cost of war, the men and women coming  
12   back from Iraq and now Afghanistan, and the injuries, both  
13   seen and unseen, that you have to deal with and your staff  
14   has to deal with and everybody on the ground has to deal  
15   with.

16          I can tell you that I have been on this Committee for  
17   six years and in this Senate for six years. I have had  
18   numerous meetings around the State of Montana, and I have  
19   found one--one--person that does not like VA health care.  
20   The rest of them love it. And so I just want to say thank  
21   you for your work.

22          This is a \$152.7 billion budget. It is a fair chunk of  
23   change that invests significantly in our veterans, and we  
24   need to make sure that we spend it as effectively as  
25   possible. That is our job, and it is your job. And we need

1 to proceed in a way that honors our military folks' service,  
2 and one that makes the most sense for the taxpayers also, as  
3 we go forward.

4 This is an important discussion, whether we are talking  
5 mental health or local partnerships or vet vans or vet  
6 centers or vet cemeteries or homelessness or education.  
7 There are plenty of issues to talk about. And how we make  
8 this budget work for our veterans is going to be critically  
9 important.

10 I want to thank you for being here, and I look forward  
11 to the discussion today, Mr. Chairman.

12 Chairman Sanders. Thank you very much, Senator Tester.

13 Now, Senator Isakson.

14 OPENING STATEMENT OF SENATOR ISAKSON

15 Senator Isakson. Thank you, Mr. Chairman.

16 And so as not to disappoint the distinguished Senator  
17 from West Virginia, not only do I acknowledge that the  
18 President's budget is a 10 percent increase, but it is \$7  
19 billion more than this Senate approved in its budget just a  
20 month ago. So he has topped us as well as what needs to be  
21 done.

22 I will also point out the fact that unlike a lot of  
23 appropriations units that we do, whether it is the  
24 Department of Energy, the Department of Labor, we are  
25 talking about mandatory spending when we talk about

1 veterans. When one of our soldiers comes back from serving  
2 overseas, we have a commitment to them that is going to  
3 drive how much we spend.

4 And we should never shortchange those benefits, or look  
5 at it as an efficiency or a savings. Instead, what we have  
6 got to do is make sure we run the Department as efficiently  
7 as it can be and find our savings there.

8 So I commend the President and the Senate, and most of  
9 all, I am grateful and thankful to those soldiers who  
10 sacrificed and fought for us overseas.

11 I would point for--my interest is really two things--  
12 suicide and the benefit claims backlog. Those two things  
13 are terrible, protracted problems that I know you are  
14 facing. I acknowledge the compliments that everybody has  
15 giving you, General Shinseki, because they are well  
16 deserved, but those are the two priorities that we have got  
17 to focus on if we are ever going to get the VA responding as  
18 it should respond to those who have come back from overseas  
19 and serving this country.

20 So, with that said, I will yield back the balance of my  
21 time so we can get to our questions.

22 Chairman Sanders. Senator Isakson, thank you very  
23 much.

24 Senator Boozman.

25 OPENING STATEMENT OF SENATOR BOOZMAN

1           Senator Boozman. Thank you, Mr. Chairman.

2           Likewise, again, I do not have a lengthy statement at  
3 all.

4           It is good to have you here. We appreciate you and  
5 appreciate your service, not only to the VA but in so many  
6 ways throughout your career, and the team that you have  
7 assembled to try and help us get this done.

8           I think as you hear the mood of the comments so far I  
9 do know that you know I think it is important that the  
10 public understands that this is not a partisan issue. This  
11 is something that I think both sides are very much committed  
12 to helping you here in the Senate and then also spending a  
13 lot of time in the House with Congressmen Michot and Miller.  
14 I know that they also are totally dedicated to try and see  
15 if we can figure out how we solve some of these very, very  
16 difficult problems, as Senator Isakson said--the suicide  
17 issue, the benefits, but also just the ongoing.

18           As was said by our Senator from West Virginia, we can  
19 be very proud of the VA system that we have. We are doing a  
20 lot of things really, really right.

21           We have got two VA hospitals in Arkansas that are  
22 excellent. That has taken a lot of hard work to get in that  
23 situation. So, again, we appreciate the efforts there.

24           And I think we have to address these other things, but  
25 we do have some things that we can celebrate.

1           Thank you.

2           Chairman Sanders. Senator Boozman, thank you very  
3 much.

4           Senator Begich.

5                       OPENING STATEMENT OF SENATOR BEGICH

6           Senator Begich. Mr. Chairman, I really do not have an  
7 opening statement. I just want to first thank you for doing  
8 the hearing.

9           Thank you, General Shinseki--Secretary Shinseki--for  
10 all the work you have done, I know, with Alaska and our  
11 rural vets that are moving forward in a relationship with  
12 the tribal community up there on delivery of health care,  
13 which we really appreciate the efforts there. We hope to  
14 see, as it moves forward, some good progress.

15           Second, I know you have put some resources in this  
16 budget, which I will be anxious to hear about, regarding  
17 disability claims and how we move those forward. I know we  
18 had a hearing, and your staff was--they survived that last  
19 hearing, and we appreciate that, but a lot of efforts there  
20 to make sure we move that forward. I know that is one of  
21 your priorities.

22           And last is the effort that you all are doing regarding  
23 homeless vets. I know this is one of your top three  
24 priorities, within the top three. In Alaska, as you can  
25 imagine, homeless veteran issues are even more severe



1   because of climatic conditions and other things that we have  
2   to deal with.

3           So thank you for being here. I look forward to your  
4   budget, and I am anxious to hear the testimony.

5           Thank you, Mr. Chairman.

6           Chairman Sanders. Okay. It is now my pleasure to  
7   welcome VA Secretary Eric Shinseki.

8           Thank you, General, for joining us today to give your  
9   perspective on the President's fiscal year 2014 budget and  
10   the fiscal year 2015 advanced appropriations request for the  
11   Department of Veterans Affairs, and we look forward to  
12   hearing your testimony.

13          Secretary Shinseki is accompanied by Steve Muro, Under  
14   Secretary for Memorial Affairs; Allison Hickey, Under  
15   Secretary for Benefits; and Dr. Robert Petzel, Under  
16   Secretary for Health. We also have Todd Grams, Executive in  
17   Charge for the Office of Management and Chief Financial  
18   Officer, and Stephen Warren, Acting Assistant Secretary for  
19   the Office of Information and Technology.

20          Your prepared remarks will be submitted for the record.

21          Secretary Shinseki, please begin and thanks again for  
22   being with us today.

1           STATEMENT OF THE HONORABLE ERIC K. SHINSEKI,  
2           SECRETARY OF VETERANS AFFAIRS ACCOMPANIED BY THE  
3           HONORABLE ROBERT A. PETZEL, MD, UNDER SECRETARY  
4           FOR HEALTH; THE HONORABLE ALLISON A. HICKEY, UNDER  
5           SECRETARY FOR BENEFITS; THE HONORABLE STEVE L.  
6           MURO, UNDER SECRETARY FOR MEMORIAL AFFAIRS;  
7           STEPHEN W. WARREN, ACTING ASSISTANT SECRETARY FOR  
8           THE OFFICE OF INFORMATION AND TECHNOLOGY; AND W.  
9           TODD GRAMS, EXECUTIVE IN CHARGE FOR THE OFFICE OF  
10          MANAGEMENT AND CHIEF FINANCIAL OFFICER

11          Secretary Shinseki. Chairman Sanders, Ranking Member  
12 Burr, distinguished members of the Committee, thank you for  
13 this opportunity to present the President's 2014 budget and  
14 2015 advanced appropriations requests for VA. We deeply  
15 value your partnership and support in providing the  
16 resources needed to assure quality care and services for  
17 veterans.

18          Let me also join you, Mr. Chairman, in acknowledging  
19 other partners here today--our veteran service  
20 organizations, whose insights and support make us much  
21 better at our mission of caring for veterans, their families  
22 and our survivors.

23          Mr. Chairman, thank you for accepting my written  
24 statement for the record.

25          The 2014 budget and 2015 advanced appropriations

1 requests demonstrate the President's steadfast commitment to  
2 our Nation's veterans. And I thank the members for your  
3 resolute commitment as well to veterans and seek your  
4 support on these requests.

5       The latest generation of veterans is enrolling at VA at  
6 a higher rate than previous generations. Sixty-two percent  
7 of those who deployed in support of operations in  
8 Afghanistan and Iraq have used at least one VA benefit or  
9 service. VA's requirements are expected to continue growing  
10 for years to come. Our plans and resources must be robust  
11 enough to care for them all.

12       The President's 2014 budget for VA, as the Chairman  
13 outlined: \$152.7 billion--\$66.5 billion in discretionary  
14 funding and \$86.1 billion in mandatory funding, an increase  
15 of \$2.7 billion in discretionary funding, 4.3 percent above  
16 the 2013 level.

17       This is a strong budget which enables us to continue  
18 building momentum for delivering three long-term goals we  
19 set for ourselves roughly four years ago--increase veterans'  
20 access to VA benefits and services, eliminate the disability  
21 claims backlog in 2015 and end veterans' homelessness in  
22 2015. These were bold and ambitious goals then. They  
23 remain bold and ambitious today because veterans deserve a  
24 VA that advocates for them and then finds a way to put  
25 resources against its words, against those promises.

1           Access. Of the roughly 22 million living veterans in  
2 the country today, more than 11 million now receive at least  
3 1 benefit or service from VA--an increase of over a million  
4 veterans in the last 4 years. We have achieved this by  
5 opening new facilities, renovating others, increasing  
6 investments in telehealth and telemedicine, sending mobile  
7 clinics and vet centers to remote areas where veterans live,  
8 and using every means available, including the social media,  
9 to connect more veterans to VA. Increasing access is a  
10 success story at VA.

11           The backlog. No question, too many veterans wait too  
12 long to receive benefits they deserve. We know this is  
13 unacceptable and no one wants to turn this situation around  
14 more than this Secretary, Under Secretary Hickey or the  
15 folks who come to work at VBA every day, 52 percent of whom  
16 are veterans themselves.

17           We are resolved to eliminate the claims backlog in 2015  
18 when claims will be processed in 125 days or less at a 98  
19 percent accuracy level. Our efforts mandate investments in  
20 VBA's people, processes and technology. Not just  
21 technology--people, processes and technology.

22           In terms of people, more than 2,100 claims processors  
23 have completed training to improve the quality and  
24 productivity of claims decisions. More are being trained,  
25 and VBA's new employees now complete more claims per day

1 than their predecessors.

2 Processes. Use of disability benefits questionnaires--  
3 DBQs. Online forms for submitting medical evidence have  
4 dropped average processing times of medical exams and  
5 improved accuracy.

6 There are now three lanes for processing claims--an  
7 express lane for those that will, predictably, take less  
8 time, a special operations lane for unusual cases or those  
9 requiring special handling and a core lane where roughly 60  
10 percent of the claims will go, and that is the remainder.

11 Technology is critical in ending the backlog. Our  
12 paperless processing system, VBMS--Veterans Benefits  
13 Management System--will be faster, improve access, drive  
14 automation and reduce variance. Thirty regional offices now  
15 use VBMS. All 56 will have it by the end of this year.

16 Homelessness. The last of our three priority goals is  
17 to end veterans' homelessness in 2015. Since 2009, we have  
18 reduced the estimated number of homeless veterans by more  
19 than 17 percent. The latest available estimate from January  
20 2012 is 62,600.

21 There is more work to be done here, but we have  
22 mobilized a national program that reaches into communities  
23 all across this country. Prevention of veterans'  
24 homelessness is our follow-on main effort. The first phase  
25 to be completed by 2015 is the rescue of veterans currently

1 on the street, and at the same time we are building a  
2 prevention program to keep others from ending up there.

3 Mr. Chairman, we are committed to the responsible use  
4 of the resources Congress provides.

5 Again, thank you for this opportunity to appear here  
6 today, and we look forward to your questions.

7 [The prepared statement of Secretary Shinseki follows:]

1 Chairman Sanders. General Shinseki, thank you very  
2 much. Thank you very much.

3 Let me begin by addressing an issue that is a serious  
4 one, that I think every member here has spoken of and you  
5 have acknowledged, and one that is of great concern to this  
6 country.

7 Now my understanding is that the VA is now processing  
8 more claims today than they ever have before--

9 Secretary Shinseki. That is true.

10 Chairman Sanders. --in significant numbers.

11 But my understanding is also that according to the most  
12 recent Monday morning workload report there were nearly  
13 890,000 claims for entitlement to benefits pending, almost  
14 70 percent of which have been pending longer than the  
15 Department's goal of 125 days. And this number does not  
16 even take into account other pending work, including award  
17 adjustments and appeals.

18 So, here is my question. You have--and I believe you  
19 established that goal not long after you took your position.  
20 You brought forth a very, very ambitious goal, and you said  
21 that you wanted to process all claims in 125 days and with  
22 98 percent accuracy by 2015. Is that correct?

23 Secretary Shinseki. That is correct.

24 Chairman Sanders. All right, let me ask you this:

25 What benchmarks have you set and must VA meet to make sure

1    that VA achieves those goals?

2           In other words, I think all of us would agree that the  
3    task that you have undertaken, going from an unbelievable  
4    amount of paper, a system that was virtually all paper when  
5    you took office, to a paperless system is just a huge  
6    transformation.

7           The concern here--and others have raised it--is, what  
8    reason do we have to believe that you are, in fact, going to  
9    be able to successfully undertake that transformation and  
10   meet the goals, ambitious goals, that you have established?

11          Secretary Shinseki. Well, thank you for that question,  
12   Mr. Chairman. I am going to call on Secretary Hickey to add  
13   some detail, but let me just describe what situation existed  
14   when we arrived.

15          We are in paper and have been in paper for decades. We  
16   continue to get paper today.

17          If you are going to manage a situation, it takes a  
18   certain kind of approach and resourcing. We thought that  
19   for the long term the benefit to veterans was to end the  
20   backlog, and so we set the goal of ending the backlog in  
21   2015.

22          We did some rough calculations, and the backlog when we  
23   arrived was not defined as 125 days, 98 percent accuracy.  
24   If we want to make a bold move here and help veterans, then  
25   we have to move quickly. And so we set ambitious goals, we



1 did our best estimates, and we have laid out a plan in this  
2 budget that is resourced, that drives those numbers towards  
3 ending the backlog in 2015.

4 I think all of you will remember after we established  
5 that goal of ending the backlog we also took on some  
6 unfinished business.

7 We had Vietnam veterans--my first year here as I moved  
8 around--who were not very happy with the fact that they had  
9 not had their issues addressed. In many cases, I was told  
10 that we were just waiting for them to pass so we would not  
11 have to take care of that. I cannot think of a more  
12 demeaning circumstance--for a veteran to feel that that is  
13 what their VA, who exists for them, looked upon the  
14 situation.

15 And I heard the same kinds of things from Gulf War  
16 veterans--20 years after the Gulf War, no decisions  
17 regarding their health care issues.

18 And then, as I think all of us can acknowledge, PTSD  
19 has been around as long as combat and had never been  
20 acknowledged as associated with combat--verifiable PTSD.

21 So, even as we established ourselves at ending the  
22 backlog, we took on three pretty significant decisions--for  
23 the Vietnam generation, three new diseases for exposure to  
24 Agent Orange' nine new diseases never recognized before for  
25 Gulf War veterans; and then for all combat veterans with

1   verifiable PTSD, access, a service connection so that they  
2   could submit their claims.

3           I would say that those numbers, added to the paper  
4   process that we had, in fact, were going to grow the  
5   inventory and complicate the backlog, and we testified to  
6   that when those decisions were made. There were a number of  
7   hearings on this.

8           And my prediction was we are going to go up, but at the  
9   same time we are going to put in place an automation system  
10   that would correct all of that, and in time we would bring  
11   the backlog back down.

12          Well, we are in mid-stride here. We are now fielding  
13   that automation tool. It took us two years to develop it.  
14   It is called VBMS--Veterans Benefits Management System. It  
15   is in 30 of the 56 regional offices. We are seeing some  
16   indications that it is having good success, and we intend to  
17   field the remaining offices as quick as possible.

18          We have some good learning that came out of automating  
19   the new 9/11 GI Bill process, and out of that, the learning  
20   indicated to us was that there is a tremendous lift that  
21   comes once you have the system fielded. We followed that  
22   model of fielding, incrementally, an IT program that is  
23   robust enough to handle our claims processing.

24          As I say, we are scheduled to complete this year, 31  
25   December. We are pulling that as far to the left as we can

1 and fielding as quickly as we can and doing it prudently,  
2 where we do not run the risk of overreach.

3 Chairman Sanders. General Hickey, did you want to add  
4 anything to that?

5 Ms. Hickey. I would just like to add to the discussion  
6 that the Secretary has said. I know that we are asked  
7 routinely about our milestone. So I wanted to give you just  
8 a few bits and pieces of the milestones that we have  
9 experienced in the education claims process that is  
10 literally being built by the same people building VBMS.

11 We have tripled--tripled--our productivity through the  
12 spring season as a result of the automated rules engines  
13 that went into the long-term solution, our paperless IT  
14 system, last fall the 24th of September. We went from doing  
15 79,000 claims a month to doing more than 285,000 claims a  
16 month. Reducing the days it took to do those claims down to  
17 4.5 days on average is where we are right now today in the  
18 body and the bulk of our 9/11 GI Bill claims.

19 We are applying the exact same strategy to the rules-  
20 based capability going into VBMS where, quite literally, the  
21 veteran will go online, which exists today on e-benefits,  
22 file their claim like they do their taxes--apropos to say  
23 that today. It goes directly into VBMS.

24 Without even advertising it--we completed that whole  
25 piece here this year in January. Without even advertising

1 it, we have 500 claims a week going into that system. And  
2 it goes directly into VBMS, never turns into paper, and  
3 allows us to immediately start working them.

4 Today, we do not have 3 percent in paper anymore. We  
5 have 3 percent electronic. We have 14 percent of our paper  
6 that has already been converted to electrons just since  
7 January the 28th. I have more than 116,000 electronic  
8 claims now, electronic folders, that we did not have before  
9 January of this year.

10 So we are well moving along in this process, and in  
11 fact, this week I will have another six regional offices on  
12 the new IT system.

13 Chairman Sanders. Okay. Thank you very much.

14 Senator Burr.

15 Senator Burr. Mr. Secretary, the VA backlog reduction  
16 plan shows that in order to eliminate the backlog by 2015 VA  
17 will need to decide 1.2 million claims this year, 1.6  
18 million claims next year and 1.9 million claims in 2015.  
19 But VA is projecting in the budget submission that it will  
20 decide 335,000 fewer claims in 2013 and 2014.

21 So can the VA reach 2 million claims in 2015? That  
22 would be a 92 percent increase in productivity over the 2012  
23 level.

24 Ms. Hickey. So, Senator Burr, I am sorry. I do not  
25 exactly know your numbers, but I am happy to take your

1 numbers and go look at them and come back to you and sit  
2 down and visit with you.

3 I can tell you --

4 Senator Burr. Well, I would be happy to. I am pulling  
5 them right out of the budget reduction plan which was  
6 submitted in January. I got it January 25th in my office.

7 And the math would work out; to eliminate the backlog  
8 by 2015, VA would need to decide 1.2 million claims this  
9 year, 1.6 million claims next year and 1.9 million claims in  
10 2015.

11 Now, in the projections under the budget submission  
12 from the President, that says that over the next 2 years you  
13 will decide 335,000 less claims than what the backlog  
14 reduction plan said.

15 I am trying to figure out if 2015 is--you are certain  
16 on that. Then that means that you have to process over 2  
17 million claims in 2015. Is that how your math looks at it?

18 Ms. Hickey. Senator Burr, I would love to come, sit  
19 down and talk to you about that. Those numbers are a little  
20 different to me than the numbers we sent across and then  
21 have followed up on in questions to your staff. So I am  
22 happy to do that with you.

23 Senator Burr. Well, in the budget submission, you do  
24 say that you will decide 335,000 fewer claims in 2013 and  
25 2014, right?

1           Ms. Hickey. Senator, the budget submission is slightly  
2 different than the plan that you received in January that  
3 was based on some assumptions made last fall, and there have  
4 been some differences in what we have seen in terms of the  
5 actuals that have been submitted to us. We have seen a  
6 significant drop in--not significant. That is not a good  
7 word. We have seen a drop in the number of claims that have  
8 been submitted to us of late.

9           So we have adjusted the budget based on those issues.

10          Senator Burr. Okay. Currently, nearly 70 percent of  
11 the claims are backlogged, meaning that they have been  
12 waiting for a decision for more than 125 days.

13          The strategic plan you submitted less than 3 months ago  
14 projected that the backlog would be reduced to 68 percent in  
15 2013 and 57 percent in 2014, but according to the budget  
16 submission you now expect no more than 40 percent of the  
17 claims to be backlogged during either of these 2 years.

18          So, in revising these projections, what metrics did you  
19 look at, and what did they show you?

20          Ms. Hickey. Senator, I looked at the actual  
21 submissions of receipts of claims that we have received from  
22 our veterans over the last five months, and each month they  
23 have been lower than our expected volume.

24          Senator Burr. So the math works out to where you would  
25 have only a 40 percent backlog situation in five months?

1           Ms. Hickey. No, Senator, it does not. And I do not  
2 think that--you all would throw me out of here if I said  
3 that that would happen. That is not where we are.

4           We are at about 69 percent of our claims right now that  
5 are older than 125 days, and we are working every single day  
6 to drive that number south. We are doing it by a focus on  
7 our people, process and technology solutions and, as far as  
8 we can, pushing up our productivity by our folks.

9           I can tell you today that my raters are 17 percent more  
10 effective and at a higher productivity than they were prior  
11 to us moving into this new transformation plan.

12          Senator Burr. But, General Hickey, last year you  
13 testified--or, excuse me, the Secretary testified that  
14 during 2013 the backlog would be reduced from 60 percent to  
15 40 percent and that would "demonstrate that we are on the  
16 right path."

17          At the time, did you envision that the backlog would  
18 stay above 65 percent for the first half of the fiscal year  
19 or that it would be 70 percent in April?

20          Ms. Hickey. So, Senator, we do have some APG guidance,  
21 our annual planning guidance, that we communicate with to  
22 our Federal Government partners, and they are usually  
23 aspirational in nature.

24          When we see a change or a difference, as the Secretary  
25 has pointed out, in terms of the workload that we saw

1    increase due to Agent Orange, Nehmer, the increased claims  
2    associated with PTSD and the like, we did note that we would  
3    probably not be able to meet that 40 percent APG guidance.  
4    But the thought was you leave your stretch goal out there so  
5    that you keep trying to work hard to get to it, and that is  
6    what we have done.

7           Senator Burr.   Here would be a simple question:  Is the  
8    strategic plan that you sent to Congress aspirational?

9           Ms. Hickey.   So, Senator Burr, I grew up as a strategic  
10   planner in the military for quite a while, and I know that  
11   every strategic plan I built over the years for the United  
12   States Air Force always was a plan.  And plans are always in  
13   contact.  You know, they change and they adjust for reality  
14   and actuals.

15          And so we have, and will continue to, improve upon that  
16   plan and continue to adjust.

17          Senator Burr.   But when you developed that plan was it  
18   developed to be aspirational, or was it developed to give us  
19   an accurate blueprint of how VA perceived the timeline would  
20   move on disability backlogs?

21          Secretary Shinseki.  Senator, I think in all planning  
22   there is an aspect of aspiration at the beginning, and then  
23   it is--with assumptions and the availability of resources,  
24   then it is adjusted for what we think is achievable.

25          In a long-term plan like this one, with as much



1 dynamics involved, we make an assumption, for example, that  
2 the flow of veterans out of uniform to the VA is going to  
3 follow a pattern that we have been provided by the  
4 Department of Defense. If that changes, that adjustment,  
5 then we will have to look and see whether we can accommodate  
6 that change, and if not, then we will have to say we have a  
7 requirement for resourcing.

8 Senator Burr. Mr. Secretary, thank you very much.

9 And, Ms. Hickey, I look forward to sitting down with  
10 you to look at the matrix that brought about such a change  
11 in really three months.

12 And let me just say that, Mr. Secretary, I was not  
13 really addressing the increased number of claims that come  
14 in the door. I was addressing the number of claims that are  
15 actually processed and determined.

16 Secretary Shinseki. Yes.

17 Senator Burr. And that does not seem to be getting  
18 better.

19 I thank the Chair.

20 Chairman Sanders. Thank you, Senator Burr.

21 Senator Rockefeller.

22 Senator Rockefeller. Thank you, Mr. Chairman.

23 General, I am going to try and ask you two questions in  
24 too short a period of time.

25 It is homelessness on the one hand, suicides on the

1 other. How do you pick the tragedy--the worst tragedy?

2 Up to 22 suicides a day--so let me just concentrate on  
3 that for a second.

4 You are making an enormous move in mental health. You  
5 are bringing in not only the mental health experts but also  
6 the support staff that they need to have. It will take time  
7 to get them into the system and trained.

8 But how do you look at the general population, starting  
9 with PTSD and then, obviously, as it gets into mental health  
10 things clarify themselves and raise red flags?

11 How do you take somebody who is on a suicide watch list  
12 or something of that sort? How do you go to work on that  
13 person? How do you try to break through?

14 Secretary Shinseki. Senator, the issue here is no one  
15 should have to wait for mental health care. And we have  
16 resourced our Veterans Health Administration by nearly 57  
17 percent, an increase from 2009 to the 2014 budget. We  
18 believe this is where we have to put our emphasis.

19 Regarding the suicide number you cited--22--you know, 4  
20 years ago, we were not receiving suicide information,  
21 veterans' suicide information, from the states. So we  
22 wrote, and the states have been very responsive. Now we  
23 have that information flowing into the CDC of which we have  
24 this latest number--22.

25 Four years ago, we did an estimate by the best way we

1    could, from our mental health experts, and they pegged the  
2    number at about eighteen. So, while this looks like a  
3    growth in the last four years, it is really a better number  
4    based on data we have received. Eighteen was a fair call,  
5    but we have better information with twenty-two, and we can  
6    set about doing things that we could only speculate at four  
7    years ago.

8           So an increase in the mental health budget allows us  
9    now to do things like increase staffing where we find that  
10   we need additional resources.

11          Dr. Petzel will provide an update on where we are with  
12   regard to hiring additional mental health, and then I will  
13   come back and close out on suicides.

14          Senator Rockefeller. Before he does that, can I ask my  
15   second question?

16          Secretary Shinseki. Certainly. Absolutely.

17          Senator Rockefeller. And it is me here, I suppose, but  
18   I remember a number of years ago the excitement that was  
19   felt generally when DoD and the Veterans Administration were  
20   planning to work together. I went to a number of common  
21   facilities, joint facilities, and everything was full of  
22   optimism.

23          And now all of a sudden, evidently, unless I am wrong,  
24   there has been a pullback from that. The electronic records  
25   and all kinds of benefits flow from this cooperation. There

1 has been a pullback from that by DoD. I am curious about  
2 that.

3 Secretary Shinseki. We are both still committed to a  
4 seamless transition of service members into VA. That has  
5 not changed.

6 We are both also committed to an electronic health  
7 record that we share in common. And in the language that we  
8 have come to use over the past four years of growing the  
9 concept, it is a single, joint, common, integrated,  
10 electronic health record, open in architecture,  
11 nonproprietary in design.

12 And all of those terms are code to keep us focused on  
13 what we want in an electronic health record--one that we  
14 share together and one that will be as good five years from  
15 now as it is on the day we first invest and purchase it as  
16 opposed to being faced over and over with an aging  
17 electronic health record that we somehow have to refinance  
18 years down the road.

19 So this is the concept that we have committed ourselves  
20 to.

21 And I would say that my sense is we have not backed  
22 away from that although Secretary Hagel, who has just  
23 arrived, is in the midst of getting into this issue. And I  
24 have agreed that he ought to have time to do that.

25 Senator Rockefeller. But you do not know of any

1 backaway.

2 Secretary Shinseki. I am not aware of any backing  
3 away.

4 Senator Rockefeller. I am happy to hear that.

5 Thank you, Mr. Chairman.

6 And I apologize for doing that to you--asking two  
7 questions.

8 Secretary Shinseki. Should we answer the first one?

9 Senator Rockefeller. No, because my time has run out.  
10 You know, I have got to play by the rules.

11 Chairman Sanders. Senator Johanns.

12 Senator Johanns. Thank you, Mr. Chairman.

13 Mr. Secretary, in the fiscal year 2014 budget request,  
14 I note that there is funding for one--just one, across the  
15 entire country--major medical facility. That is about \$150  
16 million for a mental health facility in Seattle.

17 I am not questioning at all whether that is needed or  
18 not, but in contrast, the minor construction request is for  
19 \$715 million, substantially more. That is an increase of  
20 17.8 percent from the 2013 level.

21 Does the VA have an estimate of the amount of minor  
22 construction funding that is needed to keep aging facilities  
23 patched together until they finally make their way up the  
24 priority list, which, if we are only doing one a year, that  
25 is going to be a long, long wait?

1           But how much of that money then is actually going into  
2   to trying to keep aging facilities operating? Is it all  
3   that money?

4           Secretary Shinseki. Well, Senator, let me answer the  
5   broad question of our construction budget. It includes  
6   \$2.39 billion for major, minor construction which you have  
7   asked about, non-recurring maintenance which has a lot to do  
8   with facility condition, and major medical leases.

9           Minor construction, as you indicated, has increased by  
10   17 percent compared to 2013. This is important to us  
11   because this is money that gets into the hands of hospital  
12   erectors very quickly and impacts more facilities for the  
13   kinds of things you are concerned about and services  
14   directly to veterans.

15          The major medical leases. Our request there is an  
16   increase of 12 percent compared to 2013. And, here, those  
17   leases are intended to provide health care delivery closer  
18   to where veterans live, and that is all this business of  
19   community-based outpatient clinics and so forth.

20          Major construction. The request is for \$342 million,  
21   and as you indicated, there is one major project here on the  
22   list. But it is a stable program, and we have a plan for  
23   in-phase funding the execution of a number of large  
24   projects.

25          Non-recurring maintenance, \$709.8 million, again

1 remains stable in comparison to 2013. And, here, we are  
2 dealing with safety, facility condition deficiencies and  
3 other high priority needs to make sure that the facilities  
4 we do have are safe, secure and accessible to veterans.

5 This is a balance across our programs. And I would  
6 just offer that it is a stable overall program with emphasis  
7 on minor, major leases, or medical leases, and assuring that  
8 the non-recurring maintenance is maintained at a stable  
9 level as well.

10 Senator Johanns. You can kind of see where I am  
11 headed. My concern is that you have got a whole host of old  
12 buildings out there. It certainly would not be what you  
13 would want if you were going to build a facility today,  
14 obviously, because they are probably 50, 60, 70 years old.  
15 And I am worried that we are putting money into these old  
16 facilities, and to me, it seems almost like a waste.

17 Has the VA studied any possibility of trying to  
18 jumpstart this program, to try to get more new construction  
19 versus putting money into old buildings, or are we just  
20 stuck where we are at?

21 Secretary Shinseki. I do not describe us as being  
22 stuck. I mean if there was another dollar to be had, there  
23 is a place I could put it in construction, but as I say, it  
24 is stable approach to a large footprint.

25 Part of our responsibility is to decide what part of

1 that footprint we no longer need. In the last several years  
2 we have reduced the amount of vacant space, and consolidated  
3 and reduced the amount of underutilized space; in both  
4 categories, some 25 or 26 percent reduction. So we do that  
5 as well.

6 There are other pieces of our property that we can  
7 dispose of, and we do through either demolition or look for  
8 other means to find other uses for what we no longer need.

9 We used to have an enhanced use lease authorization  
10 that expired in December of 2011, and our efforts to have  
11 that authorization renewed and extended have succeeded in  
12 providing for an enhanced use lease arrangement for homeless  
13 requirements only. So we do have that.

14 And, right now, we have a number of projects where we  
15 have created homeless housing for veterans. We have others  
16 that are in design, and other work is underway--about 5,500  
17 units in all.

18 So we do manage those older pieces of property. We  
19 have need for some of it, not all of it, and we need a way  
20 to efficiently dispose of it.

21 Senator Johanns. Thank you, Mr. Chairman.

22 Chairman Sanders. Thank you, Senator Johanns.

23 Senator Tester.

24 Senator Tester. Yes, thank you, Mr. Chairman.

25 I have got more questions than we have got time, but we



1 will start with the Caregivers Bill of 2010. And in that  
2 bill was a provision to establish a rural veterans'  
3 coordination pilot so that OIF and OEF veterans could get  
4 care from community-based providers for mental health in  
5 cases where the VA did not have capacity. The provision  
6 gave the VA clear authority to contract out mental health  
7 services for OIF and OEF veterans in rural areas where  
8 mental health providers are at a premium.

9 Can you give me any progress on this?

10 And why I say that is because Montana has four  
11 community mental health centers in Montana, serving the  
12 West, the South, the Central and the East and the North,  
13 too. None of those are contracted with.

14 Just wondering, where are we at as far as progress goes  
15 on this?

16 Secretary Shinseki. Dr. Petzel.

17 Dr. Petzel. Thank you, Senator Tester.

18 Thank you, Mr. Secretary.

19 The event of the bill has really been overtaken by the  
20 executive order from the President. We are in the process  
21 now of developing 15 contract pilots across the country with  
22 Federally qualified, community-based clinics to pilot the  
23 concepts of the contract. If this is successful--and we are  
24 quite confident it is going to be--we are going to be doing  
25 this across the country.

1 I was not aware that--you enlightened me. I was not  
2 aware of the fact that the Montana clinics were not contract  
3 pilots.

4 Senator Tester. Well, you can correct me if I am  
5 wrong, but I do not believe that they are.

6 Dr. Petzel. I will check.

7 Senator Tester. They are not contracted with the VA.

8 Now the question is, okay, so these 15 pilots which the  
9 executive order enhanced in 2010, where are they at?

10 Are they up and running?

11 Is the pilot running so you are going to assess them,  
12 and if they are not, when will they be?

13 Dr. Petzel. Virtually all of them are delivering care.

14 Senator Tester. Okay.

15 Dr. Petzel. A number of them are doing it by contract.

16 Some others had difficulties getting the contracts  
17 executed immediately, and so they are doing it on fee basis.  
18 But the contracts are in process, and we expect that within  
19 a month or two everybody will be operating on a contract.

20 Senator Tester. Okay. And when would you anticipate  
21 an assessment of their effectiveness will be done?

22 Dr. Petzel. I would hope that we could do that late  
23 summer.

24 Senator Tester. Super.

25 I want to talk a little bit about health care providers

1 in general, mental health care providers specifically, and  
2 this can still go to you, Dr. Petzel, if appropriate; if  
3 not, you, Mr. Secretary.

4 We have issues. It goes along with the partnerships,  
5 but we have issues with folks--mental health care  
6 professionals and health care professionals in general--  
7 being staffed up to snuff. We have had conversations off  
8 the grid with you on that.

9 What kind of strategies is the VA using to retain the  
10 current mental health workforce, particularly in rural  
11 areas, and if it applies to regular health care folks, could  
12 you address them both?

13 Dr. Petzel. Thank you, Senator Tester.

14 The VA has got really very flexible possibilities when  
15 it comes to hiring and retaining people. First of all, for  
16 clinical psychologists, psychiatric social workers, nurse  
17 practitioners in mental health and psychiatrists, we have  
18 great flexibility in terms of the salary. And our salaries  
19 are very competitive almost anywhere around the country.

20 Senator Tester. Who has that flexibility? Is that  
21 locally with the state VA, or is that with the VISN, or is  
22 that with you?

23 Dr. Petzel. The flexibility lies with the individual  
24 facilities.

25 Senator Tester. Okay.

1           Dr. Petzel. There are certain circumstances where they  
2 would have to come in, but it is unusual. And they have  
3 great ranges of salaries that they can work with.

4           Senator Tester. Do you need any other tools for  
5 recruitment?

6           Dr. Petzel. I think that the thing that limits us a  
7 little bit is the fact that our debt forgiveness stops at  
8 \$60,000. Particularly for medical students and residents,  
9 that may be a drop in the bucket, so to speak. And I would  
10 like to see if we can raise the limit on which we can  
11 forgive debt.

12          Senator Tester. I would love to have a recommendation  
13 since you are in the business. I do not have any idea what  
14 a nurse practitioner with a mental health background would  
15 come out of college with for as far as debt, but I would  
16 love to get some recommendations from you on where that  
17 \$60,000 cap ought to be.

18          Dr. Petzel. We will talk.

19          Senator Tester. Okay. The other I wanted--

20          Secretary Shinseki. Senator, I would just--

21          Senator Tester. Yes, go ahead.

22          Secretary Shinseki. Senator, I would just like to put  
23 a fine point on the last statement. Sixty thousand dollars  
24 is sixty thousand dollars. It is not a drop in the bucket,  
25 but increasing it would give us flexibility we do not have

1 today.

2 Senator Tester. I have got you, General. And you are  
3 right; 60 grand is a lot of dough, but some of these folks  
4 are maybe coming out college with 200 grand in debt. I do  
5 not know where it is at. I just do not.

6 So it would be good to--and we will do some research on  
7 that end, too. So it is not all on your shoulders.

8 The last thing that I have--well, I have got more than  
9 that but just real quickly, if you might, and I am not going  
10 to play by the rules.

11 What kind of impact does this have--I am talking about  
12 flexibility on salary. What kind of effect does that have  
13 on existing staff?

14 I do not want to be the devil's advocate here, but if  
15 you have got somebody on staff that is making--I will just  
16 pick a figure--75,000 bucks a year and you offer somebody  
17 new in 100,000 bucks, what kind of impact does that have on  
18 moral, and is it something you are cognizant of?

19 And is there some way you can address existing staff  
20 that are doing a hell of a good job and that are already  
21 there? We do not want to take those folks for granted.

22 Dr. Petzel. The short answers to both questions is yes  
23 and yes. We are cognizant of the fact that particularly  
24 with psychiatrists, that that could be a problem, and we  
25 have ways that we can address that with existing staff.

1           Senator Tester. Super. Thank you very much.

2           Chairman Sanders. Thank you, Senator Tester.

3           Senator Isakson.

4           Senator Isakson. Thank you, Mr. Chairman.

5           Secretary Shinseki, I want to follow up just a second  
6 on what Senator Johanns was talking about on leases. In the  
7 President's budget, in the construction account, the \$6.4  
8 million for the relocation of a CBOC in Cobb County--it is  
9 an old facility of 7,900 square feet in Austell--to a newer  
10 facility in the northeastern part of that area. And that is  
11 a huge area of metropolitan Atlanta that serves a lot of  
12 veterans that now are forced many times to go to the  
13 veterans' hospital in Decatur, Georgia, which puts more  
14 pressure on that facility.

15          So I just wanted to say thank you to the President and  
16 to you because I know your request had to have something to  
17 do with that.

18          And I hope that is a two-for. One, it is a better  
19 facility for the veterans, but two, I think it is a lot more  
20 efficient on cost than anything else we could do, especially  
21 with the current facility. So, thank you very much.

22          Secondly, Under Secretary Hickey, I notice you had a  
23 Washington moment last week when the Washington Examiner got  
24 a hold of one of your emails, and I was reading it. First  
25 of all, having had my emails gotten into before, I know how

1 it feels when somebody does that. But it commented on an  
2 email you had sent to someone--doesn't matter who it was--  
3 talking about assembling a bunch of big brains quick to deal  
4 with the problem on the timing in terms of claims approval.

5 And it was dated, I think, March the 30th which was a  
6 couple weeks after our hearing we had here on claims, where  
7 you had indicated we were kind of on track on claims. And  
8 then this email goes out, looking for the best brains you  
9 can get to come in and help when you have got a real crisis.

10 Can you kind of clarify that for me?

11 Ms. Hickey. Thank you, Senator Isakson.

12 Secretary Shinseki. Senator, can I just start and let  
13 Secretary Hickey finish up?

14 Senator Isakson. You are the boss.

15 Secretary Shinseki. I would just say from the  
16 perspective of innovation this has been something we have  
17 been doing for three years--going out and getting the best  
18 minds to come in and help us, inside VA, outside VA, just  
19 casting a broad net. In that first year we got 40  
20 initiatives which we have taken aboard. And not all of them  
21 work, but we investigated all of them. The next year we did  
22 the same thing.

23 And I would just say this sort of fits our always  
24 looking for a better way to do what we are doing to address  
25 the needs of veterans, get it to them as fast as we can. I

1 think Secretary Hickey was a part of that.

2 And I would say in 2015, when we hit the target we have  
3 set for ourselves, we will still be looking for good ideas.

4 So, with that, Secretary Hickey.

5 Ms. Hickey. Senator Isakson, the Secretary said it  
6 very well. We keep doing process improvement. In fact, it  
7 is now part of the culture and the governance in VBA. We  
8 actually have people whose job it is to do process  
9 improvement.

10 So this was nothing more than let's keep thinking about  
11 this. Let's keep getting more and more ideas on the table,  
12 but let's keep charging hard with the plan we believe is  
13 going to get us there.

14 But we were not even just looking at compensation  
15 claims. We were looking at our whole--I have six other  
16 business lines. We were looking at everything we do and how  
17 can we do more and more better to increasingly serve our  
18 veterans, their family members and their survivors. It was  
19 a course of action to keep going.

20 And probably if you saw every other email in my box,  
21 you will see we have got an urgency in VBA, no matter what  
22 we are doing right now, to just do a really much better job  
23 by our veterans, their family members and their survivors.

24 Senator Isakson. What you said was what I hoped the  
25 answer was to the question, but I do pose this to you. And



1 I am speaking for myself now. The Chairman and Ranking  
2 Member may disagree. We do not necessarily fall in the big  
3 brain category, I do not think, but I will speak for myself  
4 on that point.

5 But, you know, it might be helpful to us, to call out  
6 to us to come down to see what your problems are, to look at  
7 them firsthand, just to get our eyes on them because  
8 sometimes we will ask questions about why something is  
9 taking so long to do or something is not happening, and you  
10 will give us the very best answer, I am sure, that you can  
11 give us at the time, and then the next meeting comes up, and  
12 we have the same tiny, little waltz.

13 It just occurred to me when I read that email that it  
14 would be great to invite us down and say, look, this is  
15 where we are having trouble; have you guys got any ideas--  
16 because rather than us always being the critics in the  
17 peanut gallery, we can get down on the ground floor with you  
18 and see what those things really are.

19 I think the outreach is important, and I think it ought  
20 to be inclusive of all those who have a stake in the game.

21 That was my reason for asking the question.

22 Secretary Shinseki. Thanks. Thanks, Senator. Great  
23 offer on your part, and we are happy to take you up on it.

24 Senator Isakson. And one last thing, just a question  
25 for me--the Veterans Benefits Management System request is

1 for \$155 million in this year's budget. Is that right?

2 Secretary Shinseki. That is correct.

3 Senator Isakson. And I think \$32.8 million is for  
4 development of the system. What would the other \$122  
5 million be used for? Personal services or personnel or  
6 payroll or what?

7 Mr. Warren. Thank you, Senator, for that question.

8 The balance is to pay for sustainment costs. So the  
9 systems that we have been bringing online for the two years-  
10 -you have to pay the bills, to pay the licensing on it, as  
11 well as the operations cost to continue the program going  
12 forward.

13 Senator Isakson. When you say licensing, I guess you  
14 are talking about a site license for the use of the  
15 software.

16 Mr. Warren. It would be the software license, the  
17 hardware maintenance and system maintenance as well.

18 Senator Isakson. And that is an ongoing cost, correct?

19 Mr. Warren. Yes, it is, sir.

20 Senator Isakson. Okay. I just wanted to be sure.

21 Thank you, Mr. Secretary.

22 Chairman Sanders. Thank you, Senator Isakson.

23 Senator Begich.

24 Senator Begich. Thank you very much, Mr. Chairman.

25 Again, Secretary Shinseki, thank you very much for

1 being here.

2 Let me, if I can, first start--I guess I want--I know  
3 you have said it in your prepared comments and so forth, but  
4 let me just--if you could, just restate it. In regards to  
5 the disability claims, restate your goal on when you think  
6 you will have as much as you feel comfortable to have under  
7 control in the sense of the backlog.

8 Give me your--I know you have a target. Can you  
9 restate that for me, and then kind of what is your  
10 confidence level in that, I guess I want to ask you?

11 Secretary Shinseki. Well, there are assumptions--

12 Senator Begich. It is a tricky question because  
13 whatever you say I am going to keep track of it.

14 Secretary Shinseki. Well, I would like to provide a  
15 more specific answer to you, Senator, but again, this is  
16 based on our experience with the 9/11 GI Bill which, as you  
17 know, we started building in 2009. And by the spring of  
18 2010 we had Version 1, and we have been building on it ever  
19 since. And Secretary Hickey described sort of this lift  
20 when it all kicked in.

21 We are still in the process of fielding VBMS. We are  
22 30 and soon to be 36 out of 56. So we are moving as fast as  
23 we can.

24 We started in September in last year. We are barely  
25 six months into it, and we are looking at a fielding much

1 earlier than December this year, which is the plan. I think  
2 once we are fielded, fully fielded, we are going to begin to  
3 see production impacts.

4 We are also tied with DoD providing us electrons  
5 beginning in January 2014.

6 Senator Begich. If I can interrupt you on that, how  
7 much faith do you have that DoD will actually perform what  
8 you need them to do--because I know that has been a struggle  
9 in the past. So do you believe they will meet the goals  
10 that you have for the information flow so it becomes more  
11 seamless and electronic, that DoD will do actually what they  
12 say?

13 Secretary Shinseki. They have committed to date and  
14 time specific. We have the date and time here.

15 Senator Begich. Let me here that.

16 Ms. Hickey. They have committed to give me  
17 immediately, point forward, full --

18 Senator Begich. So all new that are leaving from now  
19 forward, they are going to complete electronically.

20 Ms. Hickey. They are going to first give it to me in  
21 paper, which I would rather not have--

22 Senator Begich. Right.

23 Ms. Hickey. --but they are committed to building a  
24 system called HAIMS, the Health Artifact Information  
25 Management System.

1           But they are right now, today, giving me something we  
2   have never had in VBA before, which is they are going  
3   through and finding their medical records, going out and  
4   reaching out to TRICARE and pulling those medical records  
5   in, and they are pulling in their contract medical records.  
6   And they are doing the business on their end of pulling all  
7   that together, certifying it is 100 percent complete and  
8   handing me, for the first time ever, a fully complete  
9   medical record.

10          Senator Begich. So that will be a complete written  
11   record. And then when will they go to electronic?

12          Ms. Hickey. In December of this year.

13          Senator Begich. Of this year. And that is of cases  
14   from that date forward, and then you have the backlog which  
15   is the longer challenge. Am I reading that right?

16          Secretary Shinseki. That is correct.

17          Senator Begich. Okay. So now they are doing all the  
18   combining of the work, which is important because you have  
19   Guard and other folks all kind of in this mix now. That  
20   will come to you immediately. In December, the electronic  
21   efforts of anyone who then leaves after December 31st will  
22   be coming to you electronically. And then they will commit  
23   to move those others in which way?

24          How will all the backlog information --

25          Ms. Hickey. Essentially, the backlog information, I am

1 handling by--

2 Senator Begich. It is all piled on you now.

3 Ms. Hickey. --turning it to a scanning environment.

4 Senator Begich. Your target to get that moved into  
5 full implementation of electronic will be?

6 Ms. Hickey. I am doing it right now. I have 116,000  
7 that are already in an electronic folder right now, today,  
8 since January 28th of this year.

9 I am also committed to any new claim that comes in the  
10 door immediately turns around and is scanned by one of our  
11 two vendors. They are doing a very good job--turned into an  
12 electronic claim and worked through the VBMS electronically.

13 If you are a veteran who is not going to come back to  
14 us, then I will not expend the resources to turn you into an  
15 electronic claim.

16 Senator Begich. Can I try to do two more quick things?

17 First off, I know you have your patient-centered care  
18 program. You have budgeted 250-some million dollars for  
19 that investment, which we think is great. It is part of  
20 your implementation of your Patient Aligned Care Teams--PAC  
21 Teams.

22 And I know your PAC Teams went up to Alaska and looked  
23 at a system that we have called NUCA, which is our native  
24 tribal system, which is very similar to what that hopefully  
25 will do. Can you tell me connection, if there are resources

1 in there to try to utilize the NUCA model within the VA?

2 I do not know who would like to answer that.

3 Secretary Shinseki. Dr. Petzel.

4 Dr. Petzel. Thank you, Mr. Secretary.

5 Senator Begich, we are very much enamored of the NUCA  
6 model. It is very similar to what we want to do in terms of  
7 patient-centered care, proactive, personalized health care,  
8 but it is doing some things that we, frankly, had not  
9 thought about. We have sent four teams up there so far, for  
10 educational experience with them, and we plan on continuing  
11 that effort.

12 I am going to be meeting with Kathleen Gottlieb--

13 Senator Begich. Excellent.

14 Dr. Petzel. --the CEO of NUCA.

15 Senator Begich. You see a value in that program.

16 Dr. Petzel. Absolutely. We can learn from them.

17 Senator Begich. Okay. Let me ask; the last question  
18 is you had \$52 million, I think, in your budget for  
19 reimbursement to Indian Health Services for some of the new  
20 programs which you are doing now on reservations as well as  
21 within the Alaska rural component. Is that enough, or do  
22 you have a sense on that at this point?

23 Again, I want to thank you for reaching out for first  
24 people in this country, especially Alaska Native and  
25 American Indian, and trying to do something very different

1 with health care systems that exist already.

2 Is that enough reimbursement or had to say? Give me a  
3 sense.

4 Secretary Shinseki. I think at this moment we are just  
5 getting--standing up the agreements and beginning to  
6 activate them. I think that is a good start point.

7 Let me ask Dr. Petzel and see if he has any more  
8 details.

9 Dr. Petzel. No more details, but I would agree with  
10 the Secretary. We think that this is enough. There are 10  
11 pilots that are being developed to get the business rules  
12 fixed for this environment, and we think that this \$52  
13 million will be sufficient in 2014, yes.

14 Senator Begich. Very good. I will end there. I have  
15 some other questions for the record.

16 And, Mr. Chairman, that last question I asked was  
17 something that I know you and I have talked about--of how to  
18 maximize this delivery to veterans in very tough locations,  
19 rural locations. So we will see more on that.

20 I really do thank you for that effort.

21 Chairman Sanders. Senator Blumenthal.

22 Senator Blumenthal. Thank you, Mr. Chairman, and I  
23 apologize for being late, but I have been following some of  
24 the testimony.

25 And I want to thank you all for your service and, Mr.



1 Secretary, particularly for your active duty service to our  
2 Nation and now in the Department of Veterans Affairs and to  
3 the President for increasing the resources available to our  
4 veterans in a very difficult time, fiscally.

5 Let me begin with Senator Begich's area of inquiry  
6 relating to the electronic health records. I understood  
7 that you described what was going to happen, Ms. Hickey, but  
8 I am not sure that I heard what the target date was.  
9 Senator Begich asked for a target date for completing the  
10 program.

11 Secretary Shinseki. We are talking about claims here?  
12 Completing the claims?

13 Senator Blumenthal. The electronic records system.

14 Ms. Hickey. I think we are talking two different  
15 issues. There is the electronic health record, and there is  
16 this other effort I am doing with the fully complete  
17 certified --

18 Senator Blumenthal. Well, then let me talk, and maybe  
19 you are not the right one to ask.

20 The electronic health record system--

21 Secretary Shinseki. Yes.

22 Senator Blumenthal. --is still going forward?

23 Secretary Shinseki. As far as VA is concerned, we are  
24 committed to it, and we await the Department of Defense's  
25 signaling to us that we have agreement here, but I believe

1 we are on track. Secretary Hagel has asked for the  
2 opportunity to get into and review his structure and  
3 process, and that is what he is doing right now.

4 Senator Blumenthal. So you have no assurance right now  
5 from the Department of Defense as to when or whether it will  
6 go forward?

7 Secretary Shinseki. I do not have when other than we  
8 are both working and both secretaries are pushing very hard  
9 on this.

10 Senator Blumenthal. Both you and Secretary Hagel have  
11 indicated that you are agreed to go forward but no other  
12 details?

13 Secretary Shinseki. For VA, it is we have chosen VistA  
14 as our core. We are committed to a 2014 initial operating  
15 capability of this integrated electronic health record in  
16 two locations that we have specified and then to follow on,  
17 full operating capability in 2017. That's the plan, and  
18 that is what both departments have agreed to.

19 Senator Blumenthal. So the departments have agreed to  
20 that plan and have both committed to VistA?

21 Secretary Shinseki. DoD is looking and reviewing what  
22 their decision on a core is going to be. We have selected  
23 VistA and offered VistA for their consideration, and  
24 Secretary Hagel and his acquisition folks at DoD are  
25 reviewing VistA at this time.

1           Senator Blumenthal. Forgive me for my revealing my  
2   limited IT knowledge, but how would the system work if you  
3   are committed to VistA and they are not; in other words, if  
4   they go to a different system?

5           Secretary Shinseki. Well, we today have two different  
6   electronic records, health records. What we have committed  
7   to is solving that problem, that challenge, by coming up  
8   with a single, joint, common, integrated, electronic health  
9   record. And all of those terms are code words to get us on  
10  the same sheet of music.

11          Senator Blumenthal. And I apologize again for  
12  belaboring a point that may be obvious to everyone else in  
13  the room, but it strikes me from what you are saying that  
14  the details have not yet been resolved. Is that fair to  
15  say?

16          Secretary Shinseki. We await a decision by DoD on  
17  their selection of a core.

18          We have offered consideration of VistA, which is  
19  government-owned, government-operated. And we have put  
20  VistA into the open architecture. So anyone else can use  
21  the code that goes with VistA and will not have to pay for  
22  it.

23          Senator Blumenthal. Thank you.

24          You know, unemployment--to shift subjects here,  
25  unemployment among veterans is one of my major and paramount

1 concerns. I wonder if you could tell us about new  
2 initiatives that you are contemplating to address  
3 unemployment among veterans.

4 Secretary Shinseki. Yes. Well, Senator, we have taken  
5 the leadership of the White House in this as well. Joining  
6 forces has been a magnificent initiative--reaching out to  
7 the private sector for corporations to commit to hiring  
8 veterans as a part of their campaign to help us reduce the  
9 unemployment numbers for veterans, especially our youngest  
10 veterans. The request of the private sector was 100,000 new  
11 jobs for veterans or military spouses before the end of  
12 2013. That goal was exceeded in late 2012, as I understand,  
13 and there are more commitments now to increase to something  
14 in the neighborhood of 250,000. So the commitment is there.

15 I would also say that across government, we in the  
16 departments, we hire veterans. We have hired--we have over  
17 100,000 veterans as part of our workforce, fully 30 percent,  
18 and our goal is 40 percent.

19 We have also held hiring fairs for veterans interested  
20 in employment. We have held three of them. It is not  
21 something we have expertise in, but we have learned with  
22 each of these how to bring together veterans looking for  
23 work and the employers with the jobs.

24 We also encourage veterans who own small businesses to  
25 stand up. Our experience is a veteran business owner is

1 more willing to hire veterans. And so the more successful  
2 small business owners we have, which is where the hiring  
3 really goes on, the more churn we have in the job market.

4 Senator Blumenthal. And are there additional resources  
5 in your project for those types of efforts?

6 Secretary Shinseki. We have resourced at least our  
7 hiring fairs, and as part of our hiring campaign for  
8 veterans, we continue to increase that within our  
9 allocations--budget and FTE allocations.

10 Senator Blumenthal. Thank you.

11 And if I could get from you at some point--I do not  
12 know that you have them here today--the latest numbers on  
13 employment among veterans in different age groups and so  
14 forth, any of the demographics that you have, I would  
15 appreciate it.

16 Secretary Shinseki. We can do that.

17 Senator Blumenthal. Thank you.

18 Secretary Shinseki. The numbers are generally  
19 improving. We have month-to-month variations, but over time  
20 the unemployment rate for veterans overall has been below  
21 the national average for unemployment.

22 For younger veterans, this is still a challenge for us,  
23 and we have to do more. All of us have to do more to take  
24 this on.

25 Senator Blumenthal. Thank you.

1           Thank you all--all the members of the panel--for your  
2 service to our country and thank you for your testimony.

3           Chairman Sanders.   Senator Moran.

4           Senator Moran.   Mr. Chairman, thank you.

5           To follow on to--and, Mr. Secretary, thank you very  
6 much.

7           To follow on what Senator Blumenthal was talking about--  
8 -jobs for veterans--one of the aspects that we have focused  
9 on is entrepreneurship and start-up businesses.   In this  
10 Committee on Thursday, we will have a roundtable discussion  
11 in regard to the VA, to veterans' opportunities to support  
12 entrepreneurship and start-up businesses as a method of  
13 earning a living and providing for families.

14          So I appreciate that that is occurring, Mr. Chairman.  
15 Thank you very much.

16          Mr. Secretary, when we last visited, which I think was  
17 in January, I, as usual, highlighted the shortage of  
18 professional health care providers within the VA system,  
19 especially at least what I am most familiar with is in  
20 Kansas.   We talked about CBOCs.

21          And Kansas is a very rural state--long distances to  
22 travel to the VA hospital.   We have been successful with the  
23 VA's help in opening CBOCs, but we have a tremendous  
24 shortage of physicians, nurse practitioners and physician  
25 assistants.   And most of our CBOCs no longer have a

1 physician.

2 And my understanding is that has not changed since we  
3 visited in January. So I want to highlight that problem  
4 once again.

5 I also raise the topic of mental health professionals.  
6 The VA's plan in April was to hire 1,600 new clinical mental  
7 health staff, including marriage and family therapists and  
8 licensed professional counselors. And my understanding is--  
9 and maybe you have included this in your testimony--that a  
10 significant number of that 1,600, a little over 1,000, have  
11 been hired.

12 But the numbers in Kansas are surprising, or  
13 discouraging, to me. And Kansas, again because of our rural  
14 nature, that is not an atypical way of providing mental  
15 health services, either utilizing MFTs or LPCs. And from  
16 August of 2011 to August of 2012, there were no MFTs and no  
17 LPCs hired at any Kansas facility.

18 On USAJobs.gov, VA has posted zero positions in Kansas  
19 for either one of those professions, for either one of those  
20 professional licenses.

21 VISN 15, as a whole, in Kansas City, Missouri, had 2  
22 MFTs and zero LPCs on staff.

23 St. Louis had two LPCs and zero MFTs.

24 These two groups represent 40 percent of the mental  
25 health professionals in the United States but only 1 percent

1 of the VA workforce.

2 I would be interested in your response and your  
3 suggestions of how we can provide mental health services to  
4 more Kansas veterans.

5 Secretary Shinseki. Let me call on Dr. Petzel.

6 Senator Moran. Thank you.

7 Dr. Petzel. Thank you, Senator Moran.

8 The MFTs and family counselors are new positions,  
9 relatively new positions to the VA. We just, less than two  
10 years ago, certified them and got them into the mix of  
11 people that we can hire. And we are behind the power curve  
12 in terms of hiring these people.

13 I do not know specifically the numbers about Kansas. I  
14 will go back and find out and get back to you.

15 And you make an excellent point; hiring these people  
16 who are recruitable in rural areas, I think, is a very good  
17 alternative to the difficulty that we have in hiring  
18 psychologists and psychiatrists in those areas. So I will  
19 be in communication with you about Kansas specifically and  
20 what we might be able to do.

21 Senator Moran. I appreciate that and look forward to  
22 your response.

23 It reminds me of the effort that I was the sponsor of  
24 legislation in the House, now years ago, to incorporate  
25 chiropractic care within the VA. Can you, Secretary Petzel,



1 bring me up to date on chiropractic services within the VA?

2 Dr. Petzel. I would like to take that for the record  
3 if you do not mind.

4 We do employ them at virtually every one of our medical  
5 centers and a substantial amount of referral business  
6 outside.

7 Senator Moran. It remains a priority for me. Again,  
8 the rural nature of Kansas chiropractic care is a  
9 significant way that health care services are delivered, and  
10 it may be the same pattern.

11 The VA, in my view, was very slow. This is before  
12 either one of your time, but very slow in incorporating the  
13 mandate, the requirement that the VA provide for  
14 chiropractic care within the VA system.

15 And let me raise one more topic before my time expires.  
16 I asked this question again last January. I have not  
17 received a reply, and it is apparently not in the fiscal  
18 year 2014 budget.

19 There has been considerable planning for a joint VA-DoD  
20 medical facility at McConnell Air Force Base and not in the  
21 budget, and I asked for a status update last January about  
22 McConnell and the Dole VA in Wichita. And perhaps, again  
23 for the record--or if you know information today, I would be  
24 pleased to know--what, if any, progress is being made?

25 Secretary Shinseki. Dr. Petzel.

1 Dr. Petzel. Thank you, Senator Moran.

2 There is a proposal that has been developed for a major  
3 construction project that would be a joint venture with, as  
4 you point out, McConnell Medical Center. It is \$154  
5 million. It was submitted. It was in the mix of those  
6 projects that were rated in the SCIP process, which rates  
7 the construction projects. It did not score high enough to  
8 be funded in 2014.

9 Senator Moran. And that scoring takes place at the VA  
10 or within the Administration? Where is that scoring done?

11 Dr. Petzel. The scoring is done by the Department. By  
12 the Department of Veterans Affairs.

13 Senator Moran. Okay. And what does that mean then for  
14 the future of this project?

15 Dr. Petzel. Well, the expectation would be that this  
16 project will be submitted again and will be scored again.

17 Senator Moran. I would like to follow up with you and  
18 see if I can find out where perhaps the need for greater  
19 information or any deficiencies that we ought to be  
20 addressing in regard to this project.

21 Dr. Petzel. Certainly.

22 Senator Moran. Thank you.

23 Secretary Shinseki. What usually happens on the  
24 Strategic Capital Investment Plan--this rank ordering, this  
25 prioritizing--is the ones that are funded get worked off,

1 and then there is a review, and then others move up in  
2 subsequent cycles.

3 Senator Moran. We would like to work with you to see  
4 that it moves up as quickly as possible.

5 Thank you, Mr. Secretary.

6 Thank you.

7 Chairman Sanders. Thank you, Senator Moran.

8 Senator Hirono.

9 Senator Hirono. Thank you, Mr. Chairman.

10 Secretary Shinseki, of course, I join my colleagues in  
11 thanking you and the rest of the panel for your service.

12 I do apologize for missing some of the hearing, but I  
13 did have a chance to talk with you earlier, General  
14 Shinseki. So I appreciate that.

15 I want to focus on women veterans' health. In your  
16 testimony, you noted that nearly 50 percent of VA facilities  
17 do have comprehensive women's clinics and that you have  
18 asked for more money for an increase in the budget for  
19 gender-specific medical care for women veterans.

20 So is it your intention and goal that 100 percent of  
21 our facilities will have these kinds of comprehensive care  
22 for our women veterans?

23 Secretary Shinseki. I am going to call on Dr. Petzel  
24 for the specifics.

25 But, Senator, I would just say today I believe women

1 are maybe 6 percent of our veteran enrolled population, and  
2 we know in the active force they represent 15 percent of the  
3 population; in the reserve components, maybe 17 percent. So  
4 we know there is growth going to occur, and we are doing  
5 everything we can to put in place the decisions that when  
6 they arrive we are not playing catch-up as has been previous  
7 experience of mine.

8       So, if we were to look at women veterans' funding since  
9 2009, between 2009 and 2014, we have increased that by 134  
10 percent, and we will continue to put emphasis on this as one  
11 of our key areas.

12       Dr. Petzel.

13       Dr. Petzel. Thank you, Mr. Secretary.

14       Senator, the specific question you asked about women's  
15 comprehensive clinics--there are three ways that we try to  
16 provide the primary basic care that women veterans might  
17 need.

18       In our large medical centers, where we have large  
19 numbers of women, we have comprehensive clinics that bring  
20 together not only primary care providers but obstetricians,  
21 gynecologists, mental health professionals,  
22 endocrinologists, all in the same clinic--the same clinic  
23 area.

24       Senator Hirono. Yes.

25       Dr. Petzel. In places that are smaller, where we do

1 not have--may not even have--all of that specialty  
2 expertise, we have primary care clinics that are devoted  
3 exclusively to women's issues and to women veterans. Those  
4 practitioners are trained to recognize and take care of the  
5 primary care needs of women veterans.

6 And then in very small areas, where we might have a  
7 CBOC with only one or two providers, we train those primary  
8 care providers in the needs of women.

9 I think there will be some increase in the number of  
10 comprehensive clinics, but I think most of the medical  
11 centers that have a large enough population to do that  
12 probably have already done that.

13 I do want to point out that we have an obligation here  
14 to provide the kind of an atmosphere where women feel safe  
15 and feel as if the providers understand their specific  
16 needs, which are different than our male patients. And I  
17 think the VA has worked hard over the last 10 years to try  
18 and accomplish that. We still have work to do.

19 Senator Hirono. Thank you.

20 I think that that is really important, and I commend  
21 you for the steps you are taking to recognize that this is a  
22 different population of veterans than perhaps--so do you do  
23 outreach efforts to make sure that they are aware of the  
24 services and the kind of services that are available to  
25 women veterans?

1           Dr. Petzel. Yes, we do. Under the direction of Dr.  
2 Patricia Hayes, who runs our women's program, we have an  
3 extensive outreach program including help lines, public  
4 service announcements and advertisements, first of all,  
5 trying to make women understand they are veterans. In many  
6 instances, they do not necessarily view themselves as being  
7 veterans, and then on top of that they do not necessarily  
8 see the VA as a friendly place for them to get health care.

9           So we work hard to try and bring that message to them.

10          Senator Hirono. Thank you.

11          Secretary Shinseki, I know that one of your major  
12 priorities is to address the needs of the homeless veterans,  
13 and that is a challenge. So are there particular programs  
14 or things that you are doing that work with this population?

15          I realize that it is not a monolithic group of folks.  
16 But any particular successes, programmatic successes, that  
17 can be ramped up?

18          Secretary Shinseki. We committed to ending the rescue  
19 phase of veterans' homelessness in 2015. What that means is  
20 when you hear the word, homeless, you think of people on the  
21 street. That is a visible--it is an estimate, but that is a  
22 visible population.

23          There is a larger invisible population of homeless  
24 veterans at risk--one paycheck, one more missed utility  
25 payment, away from being a foreclosure.

1           So, while we are committed to ending the rescue phase,  
2   which is get out and find our veterans and ensure that we  
3   are moving them to treatment and safe housing--and to do  
4   that we have partnered with many of the experts in  
5   communities across the country, provided funding for  
6   supportive services to veterans' families, shelter grant per  
7   diem support where at the same time we are doing yeoman work  
8   on the prevention piece.

9           GI Bill, the most generous education program we have--  
10   any youngster who does not complete schooling is at risk.

11          Last year, we had 70,000 veterans who had defaulted on  
12   their home loans and at risk of foreclosure. Our analysts  
13   became involved, worked with them to lower payments and  
14   extend their payment periods with financial institutions.  
15   Those 70,000 were kept in their homes and precluded from  
16   foreclosure.

17          Part of the homeless issue is mental health and  
18   substance abuse. In our Veterans Health Administration--  
19   very large and aggressive programs to deal with depression,  
20   substance abuse and other issues of mental health. We want  
21   to get veterans in early and get them into treatment. Our  
22   experience is when we diagnose and treat, people generally  
23   get better.

24          You know, this is a broad effort.

25          Senator Hirono. That makes a lot of sense. Perhaps

1   you can give us some data on how these prevention programs  
2   are working and the number of people you talk to or work  
3   with and what the outcomes are.

4       Secretary Shinseki.   Dr. Petzel.

5       Senator Hirono.   Thank you.

6       You can send me the information or send the Committee  
7   the information.

8       Secretary Shinseki.   All right.

9       Senator Hirono.   Thank you, Mr. Chairman.

10      Chairman Sanders.   We have gone through the first  
11   round.   I would like to ask a few more questions if we can  
12   keep it brief.

13      Senator Burr, do you want to--all right.   So, if it is  
14   okay with you, we will just ask a f more questions, and then  
15   we will get out of here.

16      I wanted to pick up on a question that Senator Moran  
17   asked.   He was concerned about chiropractic care.   I am  
18   concerned more generally about complementary medicine, and I  
19   think people would be surprised to know that the VA has been  
20   a leader in that area, in this country.

21      And recently I was at the VA facility in Brooklyn and  
22   the VA facility in Los Angeles, and the directors there told  
23   me that at both facilities complementary medicine is widely  
24   used and appreciated by veterans.

25      I want to work with you to expand those concepts, to be



1 more aggressive, because I think you have a lot of folks out  
2 there who are concerned about over-medication, the ways that  
3 we can deal with pain without a lot of drugs, et cetera.

4 Can you tell us, Dr. Petzel, briefly, what ideas you  
5 have as to how we can expand complementary medicine? And I  
6 am talking about acupuncture, guided imagery, meditation,  
7 chiropractic care, yoga, et cetera.

8 Dr. Petzel. Thank you, Mr. Chairman.

9 I just wanted to point out that 89 percent of our  
10 facilities, 125 of them, actively have CAM programs.

11 Chairman Sanders. That may be true, but correct me if  
12 I am wrong. If somebody is a well trained, qualified  
13 acupuncturist, for example--that person as an acupuncturist  
14 as opposed to, say, being an M.D. who practices acupuncture--  
15 -that acupuncturist, himself or herself, could not be hired  
16 under that definition. That is my understanding. Is that  
17 correct?

18 Dr. Petzel. I will have to find out, Mr. Chairman. I  
19 am not aware that that is the case.

20 Chairman Sanders. That is my understanding.

21 Dr. Petzel. I know that the places that I am familiar  
22 with that do acupuncture happen to have anesthesiologists  
23 who are acupuncturists and do acupuncture.

24 We, as you mentioned, do a number of different things--  
25 yoga, hypnosis, acupuncture, animal-assisted therapy,

1    biofeedback, stress management, relaxation therapy and  
2    meditation.

3            Chairman Sanders. Let me interrupt you. I am aware of  
4    that, and I think you guys should be very proud of that.

5            My question is that while you sitting here support  
6    those initiatives, there is also an argument that it has not  
7    quite filtered down with as much excitement and appreciation  
8    as it might. Is that a fair statement?

9            Dr. Petzel. I think that is a fair statement, Mr.  
10   Chairman.

11           And I think that one of the crucial parts of helping  
12   that to filter down is something that we are also engaged  
13   in, and that is research to demonstrate the efficacy in  
14   specific circumstances of certain alternative medicine  
15   therapies.

16           Meditation would be an example. We are spending \$5  
17   million this year looking at meditation and its role in  
18   treating PTSD--3 pilot projects and 4 research projects to,  
19   indeed, look at the 3 different kinds of meditation and how  
20   they work.

21           And I think we need to do, quite frankly, more of that  
22   to demonstrate to the treating public--to the treating  
23   physicians that, indeed, these things are effective and do  
24   work.

25           Chairman Sanders. I believe you are also looking at

1 guided imagery in terms of sexual assaults and so forth.

2 Dr. Petzel. Yes.

3 Chairman Sanders. Sexual trauma.

4 Dr. Petzel. That is also correct.

5 Chairman Sanders. Okay, Senator Burr.

6 Senator Burr. Secretary, you said earlier that we will  
7 proceed--we will go out of the rescue phase on homelessness.  
8 Would that be the reason that there is a reduction between  
9 2014's and 2015's budget for homelessness? We have got a  
10 drop from \$1.2 billion to \$857 million.

11 Secretary Shinseki. I believe that adjustment is based  
12 on the fact that we think we will be making good progress  
13 towards our 2015 targets, and so the adjustment is in the  
14 level of energy here.

15 Senator Burr. Okay. A letter from the VA dated  
16 February 2012 included the timeline of VA's homelessness  
17 reduction strategy, 2009 to 2015. This timeline included  
18 decisions regarding increasing or decreasing budget  
19 requests, reallocating funding and a decision as to whether  
20 to extend the timeline. Have any of those decisions been  
21 made to date?

22 Secretary Shinseki. To extend the timeline?

23 Senator Burr. Increasing or decreasing budget  
24 requests, reallocating funding and a decision as to whether  
25 to extend the timeline.

1           Secretary Shinseki. I am sure there may have been some  
2   discussions, but I have not participated in extending the  
3   timeline. Twenty fifteen remains our target.

4           Senator Burr. Okay. Mr. Warren, according to the  
5   fiscal year 2014 Budget Fast Facts information sheet, VA has  
6   allocated \$344 million for the integrated electronic medical  
7   records system. In addition, the Office of Information and  
8   Technology's budget requests \$252 million for the  
9   development, modernization and enhancement of the iEHR and  
10   the VLER. Does the \$344 million include the 252 for the  
11   development of iEHR and VLER, or is the \$252 million  
12   additional funding for those 2?

13          Mr. Warren. Thank you for the question, Senator Burr.

14          The 344 includes the 250 for development.

15          Senator Burr. Two fifty-two, okay.

16          The Project Management Accountability System, PMAS,  
17   creates and monitors milestones for IT projects to reduce  
18   risk associated with the development of large IT systems.  
19   How many milestones have iEHR and VLER missed?

20          Mr. Warren. Let me take that for the record instead of  
21   flipping through the spreadsheet, which was delivered to  
22   your staff today, sir. We will get back to you.

23          Senator Burr. I appreciate that.

24          Mr. Warren, according to the fiscal year 2014 Budget  
25   Fast Facts information sheet, again, the Department of

1 Veterans Affairs has allocated \$155 million for the total  
2 development and implementation of the Veterans Benefits  
3 Management System. I am getting to a question that Senator  
4 Isakson talked to you about.

5 And the President's request includes roughly \$33  
6 million for the development of VBMS, a \$71 million decrease.

7 I think you answered that, if I remember correctly. If  
8 you did not, I will allow you to do it, but I also want a  
9 clarification. Did you tell the Committee that it was going  
10 to cost \$122 million a year to sustain that program, in  
11 fees?

12 Mr. Warren. No. The question was, of the amount  
13 stated, is it all development or did it include sustainment?  
14 It does include sustainment.

15 Senator Burr. What is the estimated sustainment cost?

16 Mr. Warren. For which year, Senator, please?

17 Senator Burr. On an ongoing basis.

18 Mr. Warren. So one of the challenges we have, Senator  
19 Burr, is if you look at the elimination of the backlog and  
20 you think in terms of the ingest or the input of  
21 information, moving from paper to electrons, the engine in  
22 terms of how to do we make the decision about what the  
23 benefit is and then the payment process that comes out the  
24 end--so there is a multitude of systems out there.

25 When you ask the question, based upon where you draw

1 the boundaries, the dollars either go up or down. So, when  
2 we talk about the 155, it picks up the \$32 million to pay  
3 for the development on the engine, also portions of the  
4 payment piece of once a decision is made through to the  
5 check.

6 If I add all of the pieces up--so the multiple entries  
7 in the budget that cover not just the engine, which is the  
8 VBMS system, but includes all of the ingests in terms of e-  
9 benefits, that portal that we use to bring the information  
10 in, that the veteran uses for self-service.

11 The SEP or the VSOs are able to assist the veteran and  
12 do that work.

13 The unified desktop or our call centers are able to  
14 give a complete view of the status as well as the output.

15 The sum total is \$275 million in fiscal year 2014,  
16 which is VBMS and VRM. So it is a large investment to make  
17 sure not only the engine is working once we get the  
18 electrons but to pay for that change from paper to  
19 electrons.

20 Senator Burr. Are we going to have to pay for any more  
21 of the engine after 2014?

22 Mr. Warren. The program --

23 Senator Burr. Or is the engine complete?

24 Mr. Warren. The program plan today, as we turn the  
25 automation on, as we look at the rules engines are and we

1 look and we get the same pick-up, the kick that we are able  
2 to get from chapter 33, it is possible that we are going to  
3 see more areas where we can automate.

4 It is also subject to any change in laws passed as well  
5 as any court rulings in terms of do we need to add  
6 automation for our partners in the benefits administration.

7 Secretary Shinseki. Senator, I think we will continue  
8 to improve VBMS as we go forward where those opportunities  
9 show themselves. I do not think that the VBMS we field by  
10 2014 is the end state.

11 Senator Burr. And I appreciate that, Mr. Secretary,  
12 and I encourage it. And I do not want to bog down, staying  
13 here any longer.

14 But let me suggest, Mr. Warren, maybe you need to come  
15 up and meet with some of us on the Committee. We would like  
16 to know of its original design, when will this program be  
17 paid for? When will we be fully invested?

18 Hopefully, that coincides with some period before 2015  
19 since in 2015 it is our answer to backlog. There is not a  
20 plan B. This is plan A, B, C, D, F.

21 Mr. Warren. Glad to come up, Senator.

22 Senator Burr. But, more importantly, I think we need  
23 to understand better, what is our long-term annual  
24 commitment to a program of this magnitude?

25 I realize that there are parameters that might change

1 that--court rulings, benefits, scope of benefits, that type  
2 of thing. But I think we need to better understand it if,  
3 in fact, we provide fair but effective oversight to an IT  
4 program of this size.

5 Mr. Chairman, you have been awfully generous.

6 And I know Secretary Muro is dying for me to ask him a  
7 question, but I am going to forego that today.

8 [Laughter.]

9 Chairman Sanders. I am sure he is deeply disappointed.

10 Senator Burr. He is always neglected in these  
11 hearings, and I have ensured him not to take it personally.  
12 I will follow up with some audit questions in writing if I  
13 may.

14 Mr. Muro. Thank you.

15 Senator Burr. Mr. Secretary, thank you and thank you  
16 to your entire team.

17 Chairman Sanders. Okay. Secretary Shinseki, thank you  
18 for being here and thank you for your staff being here.

19 This hearing is now concluded.

20 [Whereupon, at approximately 4:33 p.m., the hearing was  
21 adjourned.]