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United States Senate

COMMITTEE ON VETERANS' AFFAIRS

WASHINGTON, DC 20510

January 11, 2019

The Honorable James Gfrerer
Assistant Secretary for Information and Technology
810 Vermont Avenue, NW
Washington, DC 20420

Dear Assistant Secretary Gfrerer:

I congratulate you on your swearing-in as Assistant Secretary for Information and Technology and Chief Information Officer at the Department of Veterans Affairs (VA). As per our previous discussions, I know that you are well aware of the critical nature of this position and its direct impact on the overall success of VA. The operation of VA's Office of Information and Technology (OI&T) has been under severe, well-deserved, scrutiny in recent years. And I trust that the continued presence of information technology challenges on GAO's High-Risk List is of serious concern to you. There is no doubt that insufficient resources, a chronic lack of transparency, and an inability to effectively prioritize countless competing objectives have led to serious questions about VA's ability to meet the standard of technology necessary to serve our nation's veterans. Today, I write to share some of my chief concerns and to request information about OI&T's path forward.

One of your chief responsibilities must be to ensure that the President's Budget Request is a true reflection of VA's funding requirements. Congress cannot adequately fulfill its Constitutional responsibility to fund the Department if it does not have an accurate assessment of OI&T's true needs. Inexplicably, in the face of additional IT requirements, as well as the Department's fumbling of IT solutions, the budget for Information Technology submitted by the President for Fiscal Years 2018 and 2019 reflected drastic cuts. In fact, the proposed IT budget for FY2018 was a reduction of approximately \$215 million from 2017 levels. And despite fully funding the requested increase in FY2019, the account is nearly \$100 million less than 2017 funding levels. A Budget Request that reflects the accurate needs of the Department, in addition to the resources needed for the Electronic Health Record Modernization project, is essential if VA is to carry out the health care and benefit priorities that Congress has established.

Under your leadership, OI&T will also have to address its recent failure to ensure the timely implementation of software needed to process monthly housing stipends as required by the Harry W. Colmery Veterans Educational Assistance Act. This failure, compounded by VA's lack of transparency in communicating it to Congress and educational institutions in a timely

manner, was unacceptable. Misinformation regarding the cause of the delay, as well as the response from VA about the true impact on veterans, led to confusion and fear among countless student veterans and their families. VA cannot continue to operate in a technology environment in which only the largest and latest crisis drives the agenda, and I hope that you will provide more appropriate direction and leadership during your tenure. One key to a more proactive stance is ensuring you have permanent senior staff and adequate levels of front line staff to provide customer service to VA's various administrations. I stand ready to assist should you need any new legislative authority or additional financial resources to support properly staffing and retaining employees.

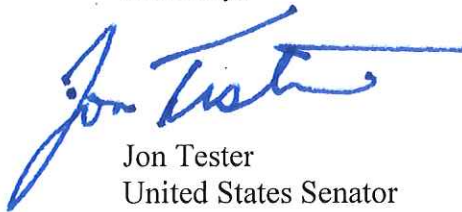
While many responsibilities for the implementation of VA's new Electronic Health Record (EHR) fall to the newly created Office of Electronic Health Record Management (OEHRM), your role is critical to ensure that we do not repeat the mistakes of the past. As you know, OI&T will maintain responsibility for managing infrastructure needs for both the facilities that have received the new EHR as well as those that have not. This task will require significant resources and robust oversight as VA manages a decade-long rollout. Throughout implementation, OI&T must also go beyond simply maintaining its current EHR system, VistA, and continue important development projects that allow VA medical centers to continue serving veterans without any adverse impacts. EHR modernization cannot be allowed to fail, and your leadership is essential if VA is to ultimately achieve a truly interoperable electronic health record for veterans.

While the IT projects I have raised are the most public of the last year, they are certainly not the only programs that deserve more attention and resources if they are to be successful. VA must continue to invest in updates to programs like HRSmart and the Veterans Benefits Management System, make long-awaited changes to the Veteran Affairs Schedule for Rating Disabilities, and continue deployment of the Financial Management Business Transformation. VA is also in the midst of a complete overhaul of its appeals process that will require a long-term commitment of IT support and resources. Additionally, Congress passed a long-anticipated expansion of the Caregiver Assistance Program last year. It is my understanding that CareT, the new IT system being developed to support the Caregiver Program, may not be able to support the current or expanded Program. This could ultimately force the Department to purchase a Commercial off-the-shelf system and delay expansion of the Caregiver benefit. Such an outcome would be unacceptable to veterans, their families and caregivers, and Congress.

During your confirmation process, I asked you about the process VA uses to determine which IT projects receive funding, and what you believed your role to be in that process. Now that you have taken the IT reins at the Department, I would like to know more about your priorities. To that end, I respectfully request that you provide a comprehensive and prioritized list of VA IT projects. Additionally, please include any metrics or explanations of processes that are used to prioritize these projects. Further, considering the challenges associated with the development of the software for calculating GI Bill housing stipends, I look forward to learning whether you will reevaluate the process VA uses for IT project management.

In my role as Ranking Member of the Senate Veterans' Affairs Committee, I am eager to work with you to solve the litany of problems we have seen from OI&T, and I genuinely believe that we can do so. However, any progress towards achieving this goal is dependent on transparency from VA about the Department's true IT needs and the challenges you face in funding and execution. On behalf of our nation's veterans, I wish you and VA's dedicated staff the best of luck as you begin your work.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Tester", with a long horizontal flourish extending to the right.

Jon Tester
United States Senator