

**STATEMENT OF
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DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

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Good morning, Chairman Miller, Ranking Member Michaud, and Members of the Committee. Thank you for the opportunity to discuss the current organizational structures of the Veterans Health Administration (VHA). At the outset, let me address the significant issues that have been the focus of this Committee, the VA, and the American public the last many weeks. That is the issue of wait times. No Veteran should ever have to wait an unreasonable time to receive the care they have earned through their service and sacrifice. America's Veterans expect and deserve the highest quality, timely health care.

As former Secretary Shinseki and Acting Secretary Gibson have stated, we now know that within some of our Veterans Health Administration facilities, VA has a systemic, totally unacceptable lack of integrity. That breach of trust—which involved the tracking of patient wait times for appointments—is irresponsible, indefensible, and unacceptable to the Department. Let me apologize to our Veterans, their families and loved ones, Members of Congress, Veterans Service Organizations, and to the American people. You all deserve better from us.

Earlier this week, Acting Secretary Gibson announced a number of immediate actions to address the issues identified in our audit. Specifically, and of relevance to this hearing, on June 9, 2014, Acting Secretary of Veterans Affairs Sloan Gibson ordered an immediate hiring freeze at VHA Central Office in Washington, D.C. and all 21 Veterans Integrated Service Network (VISN) headquarters, except for critical positions, which will be approved by the Acting Secretary on an individual basis. This action will begin to remove bureaucratic obstacles and establish responsive, forward leaning leadership to accomplish VHA's mission of providing exceptional health care that improves Veterans' health and well-being.

External independent organizations have stated very clearly that VHA delivers high quality care across the nation to 6.3 million Veterans and other beneficiaries living in urban, rural, and highly rural areas. Today, our care delivery includes: 150 medical centers, 820 community-based outpatient clinics, 300 Vet Centers, 135 community living centers, 104 domiciliary rehabilitation treatment programs, and 70 mobile Vet Centers.

We collaborate with Federal partners, such as the Department of Health and Human Services to establish pilot projects with community-based providers, the Department of Defense (DoD) to improve access to care for Servicemembers and Veterans through sharing agreements, and the Department of Housing and Urban Development (HUD) on the HUD-VA Supportive Housing (HUD-VASH) program. Other responsibilities include the training and development of a workforce of over 300,000, coordination of a nation-wide volunteer program, and a range of special program offices, to include Rural Health, Telehealth, Informatics, Mental Health, and Procurement and Logistics. Directing and supporting this organization – the largest integrated healthcare system in the Nation, requires an Administration-level headquarters, an intermediate level of oversight (Veterans Integrated Service Networks), and a hospital-based network of front-line decision makers.

VHA is committed to consistent and efficient use of staffing resources across its health care system. Since the 1990s, VHA has used VISNs to direct and oversee health care delivery. Each VISN oversees a grouping of hospitals and other specialty facilities, such as community living centers, domiciliaries, community-based outpatient clinics, and Vet Centers. VISNs also share innovations at regional level and collaborate with other networks to elevate validated strong practices to the national level; integrate health care services within markets; monitor and assess the delivery of health care to Veterans; and reduce or eliminate duplicative functions in clinical, administrative and operational processes.

In 2013, VHA evaluated each VISN's functions and staffing levels, and established a smaller and more uniform core size and set of functions. We believe the organizational structure of VISN offices and local health care systems supports our

mission with a level of consistency that assures the efficient and safe delivery of health care to Veterans. However, in light of recent events, we also intend to take a fresh look at our Central Office configuration and endstrength, as well as VISN functions and staffing levels.

Additionally, in order to help provide timely access to quality healthcare, the Department has announced other initiatives VA will apply at the facility level, including the hiring of additional clinical and patient support staff as well as other temporary staff. VA's priority is to ensure all Veterans receive timely access to high quality care, and we are prepared to make those organizational changes that will achieve this end.

Mr. Chairman, the health and well-being of the men and women who have bravely and selflessly served this Nation remains VA's highest priority. VA recognizes the critical role that VHA Central Office and VISNs have in providing quality, integration and value in the delivery of health care to Veterans. The recent VISN staffing review and standardization strengthened the role that VISNs have in delivering high-quality, patient-centered care to Veterans through our medical centers and their staff. As we have recently learned, continued review of this and other areas of VHA organizational structure must remain a priority. Mr. Chairman, this concludes my testimony. I am prepared to answer questions you or the other Members of the Committee may have.