

STATEMENT OF
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BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
FEBRUARY 7, 2017

Good Morning, Chairman Roe, Ranking Member Walz, and distinguished members of the Committee. Thank you for the opportunity to discuss the progress that VA is making towards modernizing our information technology (IT) infrastructure to provide the best possible service to our Nation's veterans.

I am joined by Dr. Jennifer Lee, Deputy Under Secretary for Health for Policy and Services, in the Veterans Health Administration (VHA), and Mr. Brad Houston, Director of the Office of Business Process Integration in the Veterans Benefits Administration (VBA).

Office of Information and Technology (OI&T) Transformation

In July 2015, a self-assessment of our current state – derived from employee interviews, external reviews, and meetings with oversight bodies – revealed significant internal challenges at OI&T. The assessment presented a clear-eyed analysis of the challenges we faced, which confirmed other indications for a change in direction. It was also an opportunity to evaluate our role at VA, to envision an IT organization that fundamentally

changed the way our veterans interface with VA – and empower our business partners to provide industry-leading access, care, services, and benefits for our veterans. It required nothing short of a major turnaround.

Our transformation delivers better services and a better user experience to veterans, and, today, I am pleased to report progress to you not only on our transformation, but also on several major IT initiatives.

We Improved Our Organization

In 2016, we established five critical functions that underpin our vision:

- Enterprise Program Management Office (EPMO) – OI&T’s new control tower for IT development, provides an enterprise-wide view of all ongoing projects, actively manages cyber risks, and ties project performance to outcomes that directly improve the veteran experience. EPMO manages our biggest IT programs, including the Veterans Health Information Systems and Technology Architecture (VistA) Evolution, Interoperability, the Veterans Benefits Management System, and Medical Appointment Scheduling System (MASS).
- IT Account Management – After listening to our customers and partners, we formed the IT Account Management (ITAM) organization. This function establishes an integrated, dedicated customer service team at headquarters and in the field with National Cemetery Administration (NCA), VBA, and VHA. ITAMs are the linchpin between OI&T and our business partners; they identify opportunities for improvement and work directly with the Chief Information Officer and EPMO to implement solutions. ITAMs are supported by five Customer

Relationship Managers that work at the regional level to gather feedback and monitor outcomes. The ITAM organization can now collect OI&T performance data nationwide, enabling a collaborative approach to issue resolution, change management, and innovation, as well as identifying and refining solutions to meet customer and stakeholder needs.

- Strategic Sourcing – To make the most of IT spending, OI&T now focuses on buying existing cutting-edge solutions before building customized solutions.
- Quality, Compliance and Risk – OI&T measures what matters, partners with oversight bodies such as the Office of Management and Budget and the Office of the Inspector General, and links input to outcomes.
- Data Management –OI&T focuses on the collection, protection, and analysis of VA's wealth of data to predict patient needs, deliver specific outcomes, and share information across VA to improve the veteran experience.

Outcomes from Process Changes

We focused on programs and projects that deliver direct value to veterans by eliminating numerous processes, steps, and artifacts to streamline our services and provide faster more efficient care.

- In September 2016, EPMO reached full operational capability, successfully transitioning over 200 projects from Project Management Accountability Software to the Veteran-focused Intake Process (VIP). This transition has delivered an 86 percent on-time delivery rate and an estimated 85 percent project overhead cost avoidance since 2015.

- The Enterprise Cybersecurity Strategy Team (ECST) transformed VA cybersecurity. Accomplishments include reducing users with elevated privileges by 95 percent, remediating 23 million critical and high vulnerabilities, and removing 95 percent of prohibited software from the VA network and systems.

Outcomes from Investing in Our People

Throughout 2016, we focused on our people:

- Results from the September 2016 Employee Engagement Task Force (EETF) survey show positive upticks in every measure of employee satisfaction since our June survey.
- In October 2016, EETF became the Office of Organization Development & Engagement, to make permanent and build upon OI&T's focus on a work culture that is collaborative, diverse, inclusive, and recognition-oriented.

Enterprise Cybersecurity Strategy

Cybersecurity is another principle which underpins everything we develop, test and roll out. This commitment requires us to think enterprise-wide about security holistically. We have dual responsibility to store and protect veterans records, and our strategy addresses both privacy and security.

In 2015, OI&T stood up an ECST to assess and address material weaknesses, and execute a holistic VA cybersecurity strategy in record time. Our strategy goes beyond satisfying statutory and regulatory requirements, creating a proactive security posture. Through the ECST, we have built a transparent, accountable, innovative, and team-

oriented organization responsible for delivering an actionable, long-range cybersecurity plan.

ECST Strategy identified eight domains that have shifted VA cybersecurity from a reactive to a proactive posture and set the baseline for how OI&T manages and evaluates the enterprise environment. Those domains are: (1) the medical cyber domain; (2) the governance domain; (3) the application and software development domain; (4) the cybersecurity training and human capital domain; (5) the access control, identification and authentication domain; (6) the operations, telecommunications and network security domain;(7) the security architecture domain; and (8) the privacy domain.

OI&T has many accomplishments to show for this tremendous effort. Since we began in 2015, we:

- Achieved 100 percent enforcement of two-factor authorization (2FA) for privileged users;
- Implemented 100 percent 2FA for remote access;
- Increased PIV enforcement from 11 percent to over 80 percent. This includes two breakthrough months when we added more than 200,000 PIV-enforced users in August, and another 111,562 in September 2016;
- Reduced the average days to remediation by 52 percent for critical vulnerabilities and by 52 percent for high vulnerabilities;
- Remediated 92 percent of critical and high medical device vulnerabilities for the first time in VA's history; and

- Achieved 100 percent completion of an automated inventory of medical devices.

In the area of veteran facing systems, VA has recently added new protections for online safety, data protection, and identity management. VA has added a logon feature to vets.gov that is one of the few Federal consumer facing–logon accounts that meets high levels of security guidance and requirements (NIST 800-63 level of assurance 3) for credentialing and identity proofing, which has been mandated for VA and other government agencies.

Our efforts to reduce risk, improve security, and ensure online safety will not end when we address the current material weakness. We will continue to identify opportunities to improve our security posture. Let me turn now to VistA and Interoperability.

Health Care

VistA

VistA was one of the first broadly used Electronic Health Records (EHR) in the United States, and an open source version of VistA is currently available. It has been recognized for effectiveness and is still a high quality EHR used as the primary tool across the country. VA is proud of VistA, but we recognize the need for improvements.

VistA Evolution is the joint VHA and OI&T program for improving the efficiency and quality of veterans' health care by modernizing VA's health information systems, increasing data interoperability with the Department of Defense (DoD) and network care partners, and reducing the time it takes to deploy new health information management capabilities.

We will complete the next iteration of the VistA Evolution Program—VistA 4—in fiscal year (FY) 2018, in accordance with the VistA Roadmap and VistA Lifecycle Cost Estimate. VistA 4 will bring improvements in efficiency and interoperability, and will continue VistA’s award-winning legacy of providing a safe, efficient health care platform for providers and veterans.

VistA Evolution funds have enabled critical investments in systems and infrastructure, supporting interoperability, networking and infrastructure sustainment, continuation of legacy systems, and efforts – such as clinical terminology standardization – that are critical to the maintenance and deployment of the existing and future modernized VistA. This work was critical to maintaining our operational capability for VistA. These investments will also deliver value for veterans and VA providers regardless of whether our path forward is to continue with VistA, shift to a commercial EHR platform as DoD is doing, or some combination of both.

Interoperability

Access to accurate veteran information is one of our core responsibilities. We recognize that a veteran’s complete health history is critical to providing seamless, high-quality, integrated care and benefits. Interoperability is the foundation of this capability, as it enables clinicians to provide veterans with the most effective care and makes relevant clinical data available at the point of care.

Today, our partners in VHA, VBA and DoD share more medical information than any health care organizations in the country, public or private. Hand in hand with our partners in DoD, we have developed and deployed the Joint Legacy Viewer (JLV) across the country. JLV is available to all clinicians in every VA facility in the country. It is a web-based user interface that provides the clinician an intuitive interface to display DoD and VA health care data on a single screen. VA and DoD clinicians can use JLV to access, the health records of veterans, Active Duty, and Reserve Service members from all VA, DoD and enrolled VA external partner facilities where a patient has received care. VA certified VA-DoD interoperability on April 8, 2016, in accordance with section 713(b)(1) of the National Defense Authorization Act for FY 2014 (Public Law 113-66).

JLV is not a “screenshot” sharing technology; it organizes medical record data in a customizable, easy-to-use web-based browser presentation. It provides a patient-centric, rather than facility-centric, view of health records in near real time. Clinicians are able to make better-informed care decisions with the click of a button. Providers from a variety of specialties have shared positive feedback and user stories proving information can flow seamlessly between DoD and VA. JLV is also available in all VBA Regional Offices, to expedite claims processing. I am pleased to share the following statistics on JLV, as of December 11, 2016:

- There were 203,785 authorized VA health care users;
- 14,274 authorized VA benefits professional users; and
- 2,000,000+ records accessed.

JLV is a critical step in connecting VA and DoD health systems. However, it is a read-only application. Building on the interoperability infrastructure supporting JLV, the Enterprise Health Management Platform (eHMP) will ultimately replace our current read-write point of care application. eHMP is a cornerstone of the VistA Evolution Program, building on the capability for clinically actionable, patient-centric data pioneered by JLV. eHMP will provide a modern, secure, configurable web-based platform that will expand JLV's capabilities. Upon completion, eHMP will offer robust support for veteran-centric health care, team based health care, quality driven health care, and improved access based on clinical need.

Modernization is a process – not an end – and the plan to release VistA 4 in FY 2018 will not be the “end” of VA's EHR modernization. VA intends to continue modernizing VA's EHR, beyond VistA 4, with more modern and flexible components.

Integrating new systems with old platforms is a pervasive challenge at VA, and scheduling is an example of this kind of transition. Veteran appointment wait time issues were partly attributed to antiquated scheduling systems.

VSE

VistA Scheduling Enhancements (VSE) will provide critical near-term enhancements. It will improve the appointment scheduling process by providing a modern graphical user interface. It will also result in reduced appointment wait times, improved adherence to industry standards, and elimination of manual processes.

VA's current scheduling application successfully schedules millions of appointments, but it is cumbersome to use; does not have a modern look-and-feel; and does not include functions that can drive improved operational efficiencies. VSE is intuitive to use with a calendar display. The more modern view alone will enhance scheduler's efficiency. Other functions that allow for selection by location, clinic, clinician or specialty, improved ability to find available appointments, a single queue for appointment requests, resource management reporting ,and a more complete view of availability will improve our use of clinical resources to reduce wait times. If approved for national implementation, VSE 1.1 will be deployed March through May 2017, starting in Primary Care.

MASS

In addition to VSE, VA awarded a contract for MASS. MASS is one option in VA's overall strategy to provide state-of-the-art electronic health record, scheduling, workflow management and analytics capabilities to frontline caregivers. MASS could replace the VistA Scheduling application with a resource-based medical appointment scheduling solution that allows VA to monitor demand for patient care, and track VA's capacity to provide such care. VA will evaluate the capabilities provided through the contract alongside enhancements to the current VistA through VSE to determine the most efficient and effective means of improving access to care for Veterans.

Veteran Appointment Request (VAR) Application

In addition to reducing wait times, we are focused on improving the Veteran's experience. We must open our doors wider to allow more direct contact with Veterans through the tools of their choice. To do that, we have developed, through a public-private partnership, a mobile application known as VAR. The software allows established primary care patients to directly and immediately schedule and cancel

primary care appointments with their assigned Patient Aligned Care Team provider. The application also allows Veterans to obtain online assistance from a trained VA scheduler in booking both primary care and mental health appointments.

Public Law No: 114-286, Faster Care for Veterans Act of 2016

The Faster Care for Veterans Act of 2016, (Public Law 114-286) requires VA to establish an 18 month pilot program operational in at least three Veterans Integrated Service Networks under which Veterans can use an internet website or mobile application to schedule and confirm medical appointments at VA medical facilities. VA is required to seek to enter into a contract using competitive procedures to provide the scheduling capability identified in the law. VA agrees with the need to provide Veterans with tools to empower them while reducing wait times and improving the Veteran experience. We will work with Congress and the stakeholder community to ensure we meet our shared goals.

Benefits

Veterans Benefits Management System (VBMS)

The ability to quickly and accurately provide to veterans the benefits they have earned has always been a VA goal. Over the last several years, VA has made progress to adjudicate disability compensation claims more quickly and accurately. VBMS serves as the cornerstone of VA's benefits claims processing capability. Since the initial phases of its development, VBMS has become the foundation and platform for automating claims processing across VBA's business lines. Today, VBMS assists VBA with processing billions of dollars in benefits delivery each month for millions of beneficiaries. In partnership with VBA, and with VBMS as the foundation, we have completely reinvented claims intake and evidence management, ensuring everything a veteran provides is

immediately digitized and available for claims processing, leading to massive improvement in mail processing time and gathering of evidence. As a result of these efforts, average mail handling time for VBA personnel to process inbound mail is now only four days, down from 55 days in 2015.

The next phase of progress for VBMS will focus on the veteran experience enabled by an integrated electronic operating environment that will:

- Empower veterans by providing common access points, better access to information for veterans and a more seamless experience when veterans interact with VA.
- Engaging partners through improved data exchange capabilities, automation and information access.
- Enhanced operations through expansion of eFolders capabilities, refined and/or automated business processes, and a more integrated approach to overall benefits delivery.

Examples of specific functionality to be delivered in VBMS in fiscal years 2017 and 2018 include:

1. Completion of automation for medical exam requests.
2. Providing full access to the claims folder to veterans online.
3. Reducing multiple touches by VBA staff and providing better veteran experience, through 'day of discharge' payments for separating Servicemembers.

4. Centralizing and automating outbound mail to Veterans, which eliminates manual printing and stuffing of envelopes by VBA employees, allowing those same employees to focus on other claims development activities
5. Automating the decision segment for 'routine future' examinations (~100,000 claims per year).
6. Automating pension medical expense adjustments (~75,000 per year).

VBMS will deliver key functionality that enables quicker, more accurate and integrated claims processing while laying the foundation for future, veteran-centric enterprise business capabilities. By prioritizing this work above other needed functionality, VA will deliver as planned. The system is currently operational with numerous enhancements planned and underway to achieve the full scope of VBMS's planned functionality. Some of these include automated decision support tools and rules-based claims processing. Delivering the full scope of planned VBMS functionality (both VBMS itself and integration with legacy environment) is essential to meeting goals of VBA's modernization of benefits delivery.

Appeals Modernization

As we have made progress in developing and deploying the tools necessary to adjudicate claims, we have also invested in improving technologies used to process and decide appeals of benefit claims. We are currently working to move away from the current process that uses disjointed uncoordinated systems. Appeals modernization is truly an Enterprise-Wide initiative that will have a direct impact on veterans by enabling

VA to provide timely and quality appeals decisions, as well as visibility on appeals across the Department.

The goal for appeals modernization is to improve the veteran Experience through a streamlined the end-to-end appeals process. VA will replace outdated technology with modern technology that is easy to use and less expensive to maintain. The new solution, called Caseflow, will replace veterans Appeals Control and Locator System and automate manual processes for reviewing records and drafting appeals decisions while improving workflows that need to cross organizations.

Under the leadership of the VA Digital Services team, iterative and continuous delivery of usable functionality is being deployed weekly to a limited number of users. The limited release approach allows for improvement before deploying the solution to all users. The core functionality will be fully delivered by end of FY 2017. However, in order to more fully address the improvements necessary to reform the current appeals process, legislative action will be necessary.

Legacy Modernization

VA is in a continuous cycle of modernization and upgrading to new technology, new systems and new tools for use by veterans, to improve how we care for them, and how their data is safely managed and operated online. VA is in the process of formalizing a new strategy to modernize legacy systems. The purpose of this approach is to identify and decommission outmoded technology, recapture resources, and re-program freed

resources towards priority business needs. The sequencing plan will be integrated into the lifecycle management of VA's IT systems.

The benefits of this strategy are several and agency-wide: VA will maintain a more affordable technology footprint; overall business capabilities will be improved as obsolete equipment is retired; operational performance will also improve in business and technical systems as resources are re-programmed toward current needs.

The EP MO will lead the effort to put this strategy in place. The strategy will:

- Establish a dedicated team to operationalize these capabilities;
- Identify a list of known modernization efforts;
- Develop criteria for what constitutes a legacy system and its associated components;
- Inventory legacy systems, identifying those most critical to business continuity; and
- Identify early candidates suitable for accelerated decommissioning efforts

VA plans to integrate the legacy modernization strategy with IT Infrastructure Library and existing VIP and OI&T governance processes. There will be a needed training component, as well as change management planning and execution. Looking ahead, VA will integrate full lifecycle cost estimation and analysis into our demand management and intake process.

Other Major Programs

Community Care IT Support is a program of 39 distinct IT projects. These projects collectively address the six pillars needed for an effective VA Care in the Community Program: (1) Eligibility; (2) Referrals and Authorization; (3) Care Coordination; (4) Community Care Network; (5) Provider Payment; and (6) Customer Experience. The program is currently on track with a strong program management team. It is carefully scrutinized bi-weekly by a joint VHA/OI&T executive oversight board and is on the VHA/OI&T FY 2017 Joint Business Plan as a high impact program requiring close executive oversight and involvement/intervention should issues arise.

Financial Systems is embarking on a multi-phase project to migrate VA to a shared service provider. The current first phase of the project is focused on accounting and acquisitions. The goals of this effort are to maintain a clean opinion, eliminate material weaknesses, eliminate improper payments, and move to an environment where clean data can provide real time business intelligence.

Conclusion

OI&T is transforming. Evolving veterans' needs have driven us to change and adapt. Through the MyVA initiative, VA is modernizing its culture, processes, and capabilities to put veterans first, prioritize resources, and give our team the opportunity to make a real difference in veterans' lives. This momentum is driving us to transform OI&T on behalf of our customers, partners, our employees, and veterans.

OI&T will continue to make bold reforms that will shape how we deliver IT services and health care in the future, as well as improve the experiences of veterans, community

providers, and VA staff. Throughout this transformation, our number one priority has and will always be the veteran – ensuring a safe and secure environment for their information and improving their experience is our goal.

Despite the progress, we cannot do it alone. We need the continued collaboration with our stakeholder community – veterans, Veterans Service Organizations, public and private organizations, and Congress. We believe your support has been critical to achieving our successes with developing claims processing tools and enabling interoperability and will be critical towards giving our clinicians the tools they need. Your support for the upcoming FY 2018 budget will get us closer to that future. We are committed to serving veterans and look forward to working closely with you on their behalf.

This concludes my testimony, and I am happy to answer your questions.