

**STATEMENT OF THE HONORABLE DENIS MCDONOUGH**  
**RESTORING FAITH BY BUILDING TRUST - VA'S FIRST 100 DAYS BEFORE THE**  
**COMMITTEE ON VETERANS' AFFAIRS**  
**U.S. HOUSE OF REPRESENTATIVES**  
**March 25, 2021**

Chairman Takano, Ranking Member Bost, and Members of the Committee, thank you for the opportunity to testify today about the current state of the Department of Veterans Affairs (VA), and for your longstanding support of our Veterans and their families. I also want to acknowledge our Veterans service organization partners who do so much to advocate on behalf of Veterans, as well as our union partners, and other Veteran stakeholders who work with us to provide the best care and services for Veterans. President Biden has defined our country's most sacred obligation as preparing and equipping the troops we send into harm's way and then caring for them and their families when they return. It is the honor of my lifetime to join the dedicated, highly-skilled professionals who constitute the VA workforce – many of them Veterans themselves - in serving Veterans, their families, caregivers and survivors.

**Vision**

In order to fulfill our country's most sacred obligation, every decision I make will be guided by whether it increases Veterans' access to care and benefits and improves outcomes for them. I will work tirelessly to rebuild trust and restore VA as the premier agency for ensuring the well-being of America's Veterans through a persistent focus on the three core responsibilities of the Department:

1. Providing our Veterans with timely world-class health care;
2. Ensuring our Veterans and their families have timely access to their benefits; and
3. Honoring our Veterans with their final resting place and lasting tributes to their service.

In addition to focusing on these three core responsibilities, President Biden also tasked me with:

1. Getting our Veterans through this pandemic;
2. Helping our Veterans build civilian lives of opportunity with the education and jobs worthy of their skills and talents;
3. Ensuring that VA welcomes all our Veterans, including women Veterans, Veterans of color and LGBTQ+ Veterans, and that Diversity, Equity, and Inclusion are woven into the fabric of the Department;
4. Working to eliminate Veteran homelessness and prevent suicide; and
5. Keeping faith with our families and caregivers.

## **State of the Agency**

### *COVID-19 Impact on VA Operations*

VA faces great challenges made even more daunting by the coronavirus pandemic. As the nation's largest integrated health care and benefits system, these challenges span multiple areas: (1) executing a robust clinical response across the VA health care system, including testing, treatment, and vaccination for COVID-19; (2) ensuring that Veterans stay connected to longitudinal care through telehealth and in-person health care as needed; (3) keeping employees safe with ready access to personal protective equipment (PPE) for front-line health care workers, temperature and symptom screening, and other safety protocols to limit exposure risk for the more than 400,000 VA employees (clinical and non-clinical); and (4) executing VA's "Fourth Mission", which allows VA to offer personnel, infrastructure (physical and digital), and other resources to assist the broader national emergency response. The COVID-19 pandemic has also had an effect on providing VA benefits, including a significant growth in the disability compensation claims backlog, which will require sustained efforts to overcome.

### *VA's Robust Clinical Response for Veterans to Prevent and Treat COVID-19*

The COVID-19 pandemic produced a health, economic and social crisis for the Nation and has required a coordinated response of unprecedented scope and scale. The challenges within the response were extraordinary for every aspect of U.S. society and industry. As the nation's largest integrated health care system, the Veterans Health Administration (VHA) confronted the need for rapid and comprehensive action to protect Veterans' health and contribute to Federal support for states. Meeting these challenges mandated that VA act with unity of effort and agility across VHA's 18 Veterans Integrated Service Networks (VISN) containing 170 medical centers, and 1,074 outpatient sites of care. In addition, VHA's Office of Research and Development worked closely with other federal partners to support trials of clinical treatments and vaccines and published numerous articles to share VHA's experiences responding to the pandemic, including the impact of COVID-19 on Veterans of color.

### *VA's Vaccine Rollout*

In September 2020, VHA designated a cross-functional team to plan for the availability of a COVID-19 vaccine as early as October 2020. This team, composed of key offices within VHA to include the National Center for Health Promotion and Disease Prevention, the Pharmacy Benefits Management Service, the National Center for Ethics in Health Care, and Office of Healthcare Transformation, worked with the Centers for Disease Control and Prevention (CDC), developing and managing a comprehensive plan to ensure availability of COVID-19 vaccines across the VA system as they become available.

VA's vaccine distribution plan addresses vaccinations for Veterans, VA staff, Veterans' caregivers, and other Federal partners based on a framework for identifying populations at highest risk from COVID-19. This risk stratification aligns with the Advisory Committee on Immunization Practices' (ACIP) and CDC's recommendations for allocation of COVID-19 vaccines.

While VA's COVID-19 Vaccination Plan provides a framework for facilities in administering their vaccination plan, specific logistics and processes vary by location and facility. VA facilities are reaching out to Veterans when they are eligible, and Veterans are encouraged to use the *Keep Me Informed* website to sign up for updates about the availability of VA vaccination in their area.

Our goal at VA is to have enough vaccine to vaccinate all Veterans and VA health care personnel who want to be vaccinated. As of March 16, 2021, VA had administered over 3.3 million doses of the COVID-19 vaccine. This includes over 2.8 million doses to Veterans, 529,000 doses to VA employees and over 26,900 to other Federal agencies, primarily the Department of Homeland Security (DHS). In January, through an interagency agreement to support DHS's COVID-19 vaccination program, trained VA medical professionals at certain VA medical centers began vaccinating DHS employees using DHS's CDC vaccine allocations. Thirty-one facilities are currently offering vaccinations to some DHS employees. Overall, VA is currently providing vaccines at more than 250 sites nationally.

### *Leveraging Technology to Care for Veterans During the Pandemic*

VA has long been considered a national leader in telehealth and expanding our telehealth capabilities is an essential part of our ongoing strategy to increase Veteran access to care. VA's early commitment to the innovative application of technology to engage patients remotely -- through our personal health record My HealthVet, through mobile and other connected devices and applications, and through an extensive and multi-faceted telehealth program -- provided a solid foundation for VA's agile and effective response to the COVID-19 pandemic. The Department moved immediately to serve Veterans where they are located and ensure continued care delivery by providing unprecedented numbers of telehealth and telemental health appointments.

Utilization of video telehealth services had been increasing at a rapid rate prior to the pandemic, and that growth became exponential during the pandemic. Many Veterans have chosen telehealth services like video-to-home telehealth visits. Video-to-home telehealth visits increased more than 1,700 percent between February 2020 and January 2021. VA leverages technology to augment care for Veterans within VA health care facilities, in Veterans' homes and anywhere with access to an internet-connected computer, mobile phone or tablet that Veterans choose to receive care. VA's online patient portal, My HealthVet, is accessible through VA's modernized web presence at [www.VA.gov](http://www.VA.gov) has over 5.6 million registered users and is accessed by more than 1 million individual Veterans each month. VA's video telehealth program was utilized by

more than 1.35 million Veterans in 2020, 31% of whom lived in rural areas. Telehealth services are available at over 1,200 VA sites of care, and care is available through video telehealth in more than fifty specialties that include mental health care, primary care, critical care, specialty care and rehabilitation services.

### *Keeping VA Employees Safe*

VA has the PPE it needs to continue our COVID-19 response efforts, as a result of intensive management of the supply chain. As COVID-19 incidences varied by jurisdiction, and despite global shortages of PPE, critical equipment and consumable items, VA was able to sustain operations in locations experiencing high demand by cross-leveling staff, PPE and ventilators from areas with low levels of disease. Additionally, in support of our Fourth Mission, VA provided critical support in numerous communities for patients who would otherwise not normally be able to receive care through the VA health care system. To overcome the supply chain challenges VA increased the amount of critical medical materiel held at each VA Medical Center from X days to 60 days of supply. We also established Regional Readiness Centers, geographically distributed to support the four VISN Consortiums. In doing so, we built resiliency into our internal supply chain to enable VHA to sustain continuous services to Veterans even when there are interruptions in support from the commercial supply chain. In the long term, the Regional Readiness Centers will support VHA preparedness for regional and national public health emergencies, including those secondary to national disasters (e.g., hurricane, flood), to act as a buffer when there is a gap in support from the commercial sector.

I am committed to protecting VA's workforce and those interacting with the workforce while ensuring continuity of mission critical and essential services as part of the Nation's overall response and preparedness efforts. That is why, consistent with Executive Order 13991, Protecting the Federal Workforce and Requiring Mask-Wearing, I released an updated policy earlier this month regarding VA's mask-wearing and other COVID-19 workplace safety measures, which can be found in *Charting the Course: Maintaining Continuous Services to Veterans while Supporting a COVID-19 Safe Workplace*.

### *Executing VA's Fourth Mission to Support the Nation's Response to COVID-19*

VA has accepted 130 COVID-19 related missions to date from the Federal Emergency Management Agency (FEMA) to protect Veterans and non-Veterans alike. We deployed thousands of staff members to non-VA facilities to show them the steps we took to keep patients safe. We shared medical equipment with health care facilities that were stressed and took hundreds of non-Veteran patients into VA facilities when those stressed facilities threatened to break.

VA has supported 49 states, territories, and tribal health systems States in the fight against COVID with laboratory analysis of COVID-19 samples of Veterans and non-Veterans, humanitarian assistance and clinical staff augmentation. In support of the

Navajo Nation and Indian Health Service, VHA provided medical/surgical and ICU beds as well as personnel, critical equipment, and supplies. VA has admitted 488 United States non-Veteran citizens for care at VA Medical Centers during COVID-19.

#### *Preparing for the Post-Pandemic Care Needs*

The CDC has estimated that more than 40 percent of US adults have delayed or deferred medical care as a result of the pandemic. Within VA we have seen similar patterns of health care hesitancy with a decrease appointments in ? of approximately 40 percent. While taking proactive steps to avoid unnecessary face-to-face appointments during the pandemic, in FY 2020, VA completed more than 66 million Veteran visits. For care in VA, whether Veterans cancelled their own appointment or VA cancelled the appointment for safety reasons, VA carefully reviews each cancellation to ensure Veterans who need care receive it. VA has reviewed more than 96 percent of all appointments cancelled since January 2020, ensuring that those canceled appointments from early in the pandemic were reviewed first. VA wants to make sure that Veterans have the opportunity for an in-person appointment, had a telehealth visit or no longer need care.

VA will meet the needs of Veterans who deferred their care during the pandemic, which is why the Department is actively planning for the resumption of care and deeply appreciative of the funds Congress provided to help it do so in the American Rescue Plan. Part of this preparation includes referral coordination teams at each facility. They will coordinate care when a provider refers a Veteran for care with a specialist, either in VA or in the community. Those teams will ensure Veterans are informed of their options for care, including face-to-face, video and phone, and then get their appointment scheduled quickly.

#### *COVID-19's Impact on the Compensation and Pension (C&P) Claims Backlog and Appeals Inventory*

VBA defines its backlog based on the number of claims in its inventory that are older than 125 days. Due to closures related to the pandemic, VBA's disability compensation claims backlog increased from approximately 60,000 in November 2019 to 211,000 as of early March 2021. Despite a two-month complete suspension of in-person C&P examinations during the pandemic, which caused over 200,000 extra examinations to accumulate, VBA incrementally resumed these examinations last summer when and where it was safe to do so and stopped the growth of the examination inventory by the end of fiscal year (FY) 2020. Further, VBA maximized the use of Acceptable Clinical Evidence (ACE) and Tele-C&P appointments, completing 102,189 examinations through ACE and 99,901 Tele-C&P examinations from April 11, 2020 through March 14, 2021.

VBA also collaborated with its examination contractors to increase their capacity to address the excess pandemic-related exam inventory. Current trends are encouraging. Examination completions in the first quarter of FY 2021 exceeded the first quarter of FY 2020 by 16.8% percent (306,775 vs. 358,361). By the end of February

2021, the contractor examination completions were up 120% when compared to the number of completed exams prior to the pandemic.

Despite the continued challenges presented by the ongoing pandemic, in the first quarter of fiscal year 2021, VA distributed \$25 billion dollars in disability compensation benefits to 5.1 million Veterans and completed more than 613,689 C&P exams under VBA contracts.

American Rescue Plan funding is expected to help reduce the backlog of disability compensation and pension claims that have accumulated as a result of the pandemic.

The Board of Veterans' Appeals (Board) is driving the resolution of pending legacy appeals across the Department while simultaneously adjudicating appeals under the Appeals Modernization Act. There are currently 150,000 legacy appeals remaining in the Department, the majority of which are now at the Board. Key to the robust resolution plan is the Board's virtual tele-hearing (VTH) initiative, which is revolutionizing the Board's ability to provide timely hearings and dramatically improving access for all Veterans. To date in FY 2021, approximately 95% of all Board hearings have been held through the virtual tele-hearing program. The Board now has the capacity to hold at least 1,000 VTHs per week, making it the quickest way for a Veteran to have a hearing. VTHs allow the Veteran and the representative to have a hearing from any location they choose that has Wi-Fi by using a cellphone, computer, or tablet.

## **Key Challenges**

As VA addresses the numerous challenges brought on or exacerbated by the pandemic, we will also need to tackle other longstanding issues that are essential to the Department's ability to sustainably and effectively execute its mission, including: (1) establishing the right balance of direct care and purchased care; (2) delivering timely access to high-quality mental health care and preventing suicide among Veterans; (3) increasing support to families and caregivers; (4) better supporting the growing number of women Veterans who utilize VA services; (5) providing a whole of government solution to drive progress to eliminate Veteran homelessness; (6) improving support for transitioning Veterans through improvements to the Transition Assistance Program (TAP), education and job training programs; and (7) addressing an aging medical infrastructure.

### *Establishing the Right Balance of VA and Community Care*

Providing Veterans with timely access to high quality health care is absolutely essential. While it is clear that community care will continue to be a key part of how the Department cares for its Veterans, VA remains committed to strengthening the health care system, expanding access, and pushing the boundaries of what is possible in serving our nation's Veterans. VA will continue to use a combination of care at VA facilities and in the community to meet the needs of Veterans. With the Veteran at the center of their own care, VA will work to achieve the right balance between care

provided in the community and care provided through VA to ensure Veterans have timely access to the highest quality health care services.

### *Access to Mental Health and Suicide Prevention*

Suicide prevention continues to be a top clinical priority and we are implementing a comprehensive public health approach to reach all Veterans. Suicide is a complex issue with no single cause. Maintaining the integrity of VA's mental health care system is vitally important, but it is not enough. We know that some Veterans may not receive any or all of their health care services from VA, for various reasons, and we want to be respectful and cognizant of those choices. This highlights that VA, alone, cannot end Veteran suicide; it requires a nationwide effort.

VA developed the National Strategy for Preventing Veteran Suicide with the intention of articulating how everyone can work together to prevent Veteran suicide. We know that an average of approximately 17 Veterans died by suicide each day in 2018. Tragically, this number has remained relatively stable over the last several years. Through our National Strategy we are implementing broad, community-based prevention initiatives, driven by data, to connect Veterans in and outside our system with care and support at both the national and local facility levels.

My promise to Veterans remains the same: to promote, preserve, and restore Veterans' health and well-being; to empower and equip them to achieve their life goals; and to provide state-of-the-art treatments. We will continue to invest and share resources with community organizations who are in the fight against Veteran suicide and in data-driven, evidence-based, results oriented initiatives known to help reduce suicide. Veterans possess unique characteristics and experiences related to their military service that may increase their risk of suicide. Yet, they also tend to possess skills and protective factors, such as resilience or a strong sense of belonging to a group.

### *Supporting Caregivers*

VA's Caregiver Support Program (CSP) empowers family caregivers to provide care and support to Veterans with a wide range of resources through the Program of General Caregiver Support Services (PGCSS) and the Program of Comprehensive Assistance for Family Caregivers (PCAFC). As a result of the Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act of 2018, VA has begun a major expansion of PCAFC. On October 1, 2020, VA certified the implementation of the new IT system, Caregiver Record Management Application (CARMA), which automates manual processes and integrates with other VA systems, resulting in increased efficiencies and effectiveness for caregivers and VA staff.

The PCAFC expansion rolls out in two phases. The first phase includes eligible Veterans who incurred or aggravated a serious injury in the line of duty on or before May 7, 1975. As of March 16, 2021, VA received more than 63,000 applications for the

PCAFC, and approximately 3,700 of those have been approved for participation. Effective October 1, 2022, the second phase will include eligible Veterans who incurred or aggravated a serious injury in the line of duty between May 7, 1975, and September 11, 2001. This program expansion includes a new digital version of the application that allows individuals to apply for the PCAFC online.

VA also expedited hiring key staff with the clinical qualifications and organizational skills required to ensure consistent eligibility decision making, support program needs and provide strong infrastructure for consistent and standardized application processing and adjudication. The Caregiver Support Program already expanded to approximately 1,700 staff and will grow to approximately 1,900 staff by the end of March 2021. These changes will ensure Veterans and caregivers receive timely, accurate assessments and eligibility determinations, as well as an improved customer experience.

### *Improving Support for Women Veterans*

We have seen the number of women Veterans enrolling in VA health care continuing to increase, placing new demands on VA's health care system. Women make up 16.5% of today's Active Duty military forces and 19% of National Guard and Reserves. Based on the trend, the expected number of women Veterans using VA health care will rise rapidly. More women are choosing VA for their health care than ever before, with women accounting for over 30% of the increase in Veterans enrolled over the past 5 years. The number of women Veterans using VHA services has more than tripled since 2001, growing from 159,810 to more than 550,000 today.

To address the growing number of women Veterans who are eligible for health care, VA is strategically enhancing services and access for women Veterans by investing \$75 million in a hiring and equipment initiative in 2021, providing funding for a total of over 400 women's health personnel nationally--primary care providers, gynecologists, mental health providers and care coordinators. Funds are also available for innovative programs such as pelvic floor physical therapy or lactation support.

Every one of the 170 VA medical centers across the United States now has a full-time Women Veteran's Program Manager tasked with advocating for the health care needs of women Veterans. Mini residencies in women's health with didactic and practicum components have been implemented to enhance clinician proficiency. Since 2008, more than 7,600 health care providers and nurses have been trained in the local and national programs.

To provide the highest quality of care to women Veterans, VA offers women Veterans assignments to trained and experienced designated Women's Health Primary Care Providers (WH-PCP). National VA satisfaction and quality data indicate that women who are assigned to WH-PCPs have higher satisfaction and higher quality of



gender specific care than those assigned to other providers. Importantly, we also find that women assigned to WH-PCP's are twice as likely to choose to stay in VA care over time. VA provides many services for women Veterans, including gynecology and maternity care, as well as mental health services that also assist with military sexual trauma.

### *Eliminating Veteran Homelessness*

VA remains committed to ending Veteran homelessness. The ultimate goal is to ensure that every Veteran has permanent, sustainable housing with access to high-quality health care and other supportive services and that Veteran homelessness is eradicated. VA has partnered closely with other Federal agencies and with state and local programs across the country in order to:

- Identify all Veterans experiencing homelessness;
- Provide shelter immediately to any Veteran experiencing unsheltered homelessness;
- Provide service-intensive transitional housing to Veterans who prefer and choose such a program;
- Move Veterans swiftly into permanent housing (increased capacity); and
- Have resources, plans, partnerships, and system capacity in place should any Veteran become homeless or be at risk of homelessness in the future.

VA has made significant progress to prevent and end Veteran homelessness. The number of Veterans experiencing homelessness in the United States has declined by nearly half since 2010. On any given night in January 2019, an estimated 37,085 Veterans were experiencing homelessness. Since 2010, over 850,000 Veterans and their family members have been permanently housed or prevented from becoming homeless. Efforts to end Veteran homelessness have greatly expanded the services available to permanently house homeless Veterans and implemented new programs aimed at prevention, treatment, low-threshold care/engagement strategies and the capacity to track and monitor homeless outcomes. As of March 10, 2021, there were 84 areas (81 communities and 3 states: Delaware, Connecticut and Virginia) that have publicly announced an effective end to Veteran homelessness. Those communities have met the benchmarks and criteria established by the U.S. Interagency Council on Homelessness, VA, and HUD, for declaring an end to Veteran homelessness. VA offers a wide array of interventions designed to find Veterans experiencing homelessness, engage them in services, find pathways to permanent housing and prevent homelessness from reoccurring.

### *Economic Opportunity*

As an overall group, on average, Veterans fare better economically than the national average. However, within the Veteran population, recently discharged Veterans and their spouses face economic challenges. Helping our Veterans build civilian lives of opportunity with the education and jobs worthy of their skills and talents is a critical priority.

VA military-to-civilian transition programs are designed to give transitioning Service members the best possible start to their post-military lives. The VA Benefits and Services course, as part of the interagency Transition Assistance Program (TAP), helps Service members and their spouses understand how to navigate VA and the benefits and services they have earned through their military careers. VA TAP provides resources and tools Service members need to achieve emotional and physical health, and economic stability in civilian life and become career ready. While TAP has evolved significantly over the years, we must continue to assess its effectiveness, evolve where appropriate to change with the economy, and provide offramps from service that lead to meaningful and economically enriching paths for Veterans and their families.

### *Addressing an Aging Infrastructure*

VA operates the largest integrated health care, benefits, and cemeteries system in the Nation, with more than 1,700 hospitals, clinics, and other health care facilities, a variety of benefits and service locations, and 155 national cemeteries. The infrastructure portfolio consists of approximately 184 million owned and leased square feet—one of the largest in the Federal Government. While the median age of U.S. private sector hospitals is 10.78 to 11.48 years, VA's portfolio has a median age of 58 years. A full 69% of VA hospitals are over the age of 50, and with aging infrastructure comes operational disruption, risk, and cost.

Health care innovation is occurring at an exponential pace, and the comparative youth of private sector facilities is informed by these trends. The architects who designed and constructed many VA facilities in the decades following World War II could not have anticipated the requirements of today's medical technology and the key enabling role that infrastructure – and technological infrastructure - now plays in delivering safe and high-quality health care. Many of VA's facilities were not designed this way and this limits our agility and ability to meet the evolving health care needs of Veterans.

The experience of responding to the COVID-19 pandemic brought critical lessons to U.S. health care broadly, and in particular to VA health care. Uncertainty regarding the timing and location of the next surge(s) in cases across the country underscored the importance of portable capabilities (e.g., 24 bed ICU that can be transported) for VA health care's 4th mission role in future public health emergencies.

The transformation of VA health care to achieve a safer, sustainable, greener, person-centered national health care model requires that VA leverage innovations in medical technology and clinical procedures. As technology-enabled trends in U.S. medicine bring care close to individuals and communities, there is less demand for prodigious, sprawling campuses and more emphasis on ambulatory facilities and virtual care. Many surgical, medical and diagnostic procedures that once required a hospital stay are now safely performed in the outpatient setting, and telehealth and tele-service delivery bring expertise to a patient's own home.

This evolving landscape requires that VA rebalance its infrastructure to provide for a blend of traditional inpatient hospitals with outpatient hospitals, multi-specialty Community Based Outpatient Clinics, single specialty Community Based Outpatient Clinics, and virtual care. This also makes public and private partnerships an imperative.

## **Leveraging Technology to Support Service and Medical Care Delivery**

VA is in the midst of one of the most comprehensive IT infrastructure modernizations in the federal government, which will support seamless transition of health care information throughout an individual's journey from military service to Veteran status. Our three main transformative projects are the implementation of the Electronic Health Record Modernization (EHRM) project; the replacement of VA's multiple, aging systems to manage its inventory and assets with the enterprise-wide inventory management system used by DOD—the Defense Medical Logistics Standard Support (DMLSS); and the adoption of a new financial management system—our Financial Management Business Transformation (FMBT).

### *EHRM*

In recent months, VA achieved significant milestones in deploying a new electronic health record (EHR). This effort is one of the most complex and transformational enterprise-wide endeavors in the Department's history where we are spending \$2.6 billion in FY 2021 alone, which is an 82% increase over FY 2020. This increase in funding supports accelerated deployment of Centralized Scheduling Solution (CSS) and full EHR solution implementation to sites in VISN 20 and VISN 10. The vision for the new EHR is to empower Veterans, Servicemembers and care teams with longitudinal health care information to enable the achievement of health and life goals from service in the military to Veteran status. The new EHR also presents the opportunity to achieve unprecedented interoperability with the Department of Defense (DoD) and functions as a catalyst, advancing VA's leadership of health care in the United States on behalf of those individuals who we serve. Furthermore, this effort improves interoperability between Veterans Benefits Administration systems and the new EHR.

After a rigorous review and top-to-bottom assessment of our most-recent deployment at Mann-Grandstaff VA Medical Center during my first weeks in this office, we recently announced a strategic review of the EHRM program, which consists of a full assessment of the ongoing program over the next 12 weeks to ensure continued success for all future EHR deployments. Based on opportunities identified during our first “go-live” site in Mann-Grandstaff, the strategic review will focus on identifying areas for additional productivity and clinical workflow optimization, additional change management and training simulation at Mann-Grandstaff and upcoming “go-live” sites, conducting further research into Veteran-centered improvements for the patient portal experience, data syndication and revenue cycle improvements. We maintain our commitment to the Cerner Millennium system as the work on the mission continues to advance VA as a high reliability and learning organization, with a sharp focus on

transparency, accountability and trust. Addressing these issues is also the linchpin to modernizing supply chain management and enhancing financial and business transactions.

## **An Evolving Landscape Will Influence How VA Cares for Veterans**

As VA addresses challenges and longstanding issues, it will do so in the midst of several long-term demographic and fiscal trends that will shape VA's ability to serve Veterans in the future. The US Veteran population is aging and shrinking, while simultaneously becoming more diverse as it evolves to reflect the US military of today instead of the US Military of the 20th century. As the Veteran population continues to evolve, it also continues to use VA more -- potentially the result of nearly 20 years of sustained conflict, longer average terms of service for military personnel, and rising health care and educational costs that incentivize more Veterans to utilize the VA benefits they have earned. US health care is changing too, from a hospital-centric model of care to dispersed (and even virtual) care that can be delivered through networks of direct- and purchased-care providers.

## **Congressional Support**

Over the past several years, Congress has generously supported VA's budget requests, which have enabled the Department to address new and growing challenges. More recently, Congress passed the American Rescue Plan (ARP), which will, among other things:

1. Help ensure health care access for the 9.2 million enrolled Veterans who may have delayed care or have more complex health care needs as a result of the pandemic;
2. Allow VA to cover Veteran copayments and other cost shares for VA health care and reimburse copays and other cost shares for care and prescriptions from April 6, 2020 through Sept. 30, 2021;
3. Fund construction grants and payments to State Homes to greatly improve the living conditions of our most vulnerable Veterans;
4. Provide up to 12 months of training and employment assistance for unemployed Veterans to enter high-demand occupations; and
5. Help reduce the backlog of disability compensation and pension claims, which has grown from 73,000 in March 2020 to 211,000 in March 2021.

The Department is grateful for this support of the ARP, which will enhance VA's ability to deliver world class services to Veterans and their families, but will also ease thousands of Veterans' worries by forgiving some accumulated debt for those in need, speeding up processing of VA disability compensation claims, and providing much needed funding to retrain them in high-demand occupations. We will work diligently to ensure these funds are effectively and efficiently used.

## **New Statutory Authorities**

Over the past three years, Congress has passed into law numerous, far-reaching pieces of legislation, including the VA MISSION Act, the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019, the Veterans COMPACT Act of 2020, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020, and the National Defense Authorization Act (NDAA) for Fiscal Year 2021. These laws include a wide variety of new authorities aimed at helping VA better care for Veterans, their families, caregivers, and survivors, and provide the Department with an opportunity to improve its organizational culture, department operations, and outcomes for Veterans. But the sheer volume of new authorities to implement concurrently also presents an operational challenge, particularly at a time when the Department remains focused on combatting the direct and indirect impacts of COVID-19. We will continue to work diligently to implement these laws and will remain committed to sharing information with Congress in a timely and consistent manner.

## **Toxic Exposures**

For some medical conditions that develop after military service, the information needed to connect these conditions to military service may be incomplete. Information may be needed about specific exposures or there may be incomplete scientific or medical evidence as to whether an exposure causes a particular condition. In some of these cases, a “presumption” of service connection may be created so that a group of Veterans can be provided appropriate care and compensation. These issues loom large for many Veterans, as represented by a large number of post-9/11 Veterans, whose exposures to airborne and environmental hazards have been potentially linked to a broad array of maladies. I am committed to a full review of this process, with the goal of being responsive to the Veterans we serve. I believe it is possible to strike a balance between the needs of Veterans with the need for an evidentiary scientific basis for action.

In 2019, Congress passed legislation expanding benefits to tens of thousands of Blue Water Navy Vietnam Veterans and more recently added three new diseases to the Agent Orange presumptive conditions list in the FY 2021 NDAA. As the Department harnesses its resources to execute on these new requirements and ensure Veterans receive the benefits they have earned, I have also initiated an internal review of our current process for establishing presumptions of service connection for Veterans who may have been exposed to airborne hazards during military service.

## **Diversity, Equity, and Inclusion**

Diversity, equity, and inclusiveness are standards fundamental to everything we do. We'll welcome all Veterans, including women, Veterans of color, and LGBTQ+ Veterans. Every person entering a VA facility must feel safe, free of harassment and discrimination, and we will never accept discrimination, harassment, or assault at any VA facility. We will provide a safe, inclusive environment for Veterans and VA

employees. Diversity is a strength, never a weakness, among Veterans, VA employees, and all of America. Leveraging diversity, equity, and inclusiveness will produce the excellence we seek in all our interactions with Veterans.

### **Empowering Leaders to Implement Positive Change**

I am mindful that VA's capabilities have not always risen to the needs of our Veterans. Consistent throughout many of these past shortcomings has been a theme of leadership inconsistency and cultural challenges. In order to rebuild trust and restore VA as the premier agency for ensuring the well-being of America's Veterans, I am focusing on building a diverse team of professional, very experienced leaders who bring a great breadth and depth of knowledge in government and Veterans issues. To that end, we recently stood up a commission to identify candidates to lead and manage the Veterans Health Administration.

At the same time, I am also working to retain our talented and hard-working team by empowering them to make decisions in a structure that allows them to do what's right for Veterans. As an initial step in support of that effort, I recently signed a memo for VA employees emphasizing my intent to lead with VA's ICARE Core Values – Integrity, Commitment, Advocacy, Respect, and Excellence – and have been seeking opportunities to engage with leaders across the system to drive this point home. VA's success as a team — our ability to deliver world-class care for our Veterans — also depends on how employees treat one other and Veterans. Our respect for our fellow VA employees and the Veterans we serve is critical to everything we do.

I take full responsibility to ensure that our employees have everything they need to carry out the important work before us and that we operate in a culture that celebrates and draws strength from our country's great diversity. To ensure a welcoming environment for Veterans, we must foster fair and inclusive VA workplaces where the experiences and perspectives of our diverse employees are valued. The success of our mission depends on everyone being able to contribute their expertise, experience, talents, ideas and perspectives. I commit to advancing equity in VA and providing all employees with opportunities to reach their full potential; I commit to these principles and will make sure that my senior leadership team reflects and embeds them in everything that we do.

At this moment when our country must come together, caring for our country's Veterans and their families is a mission that can unite us all, and I look forward to working with this Committee, Congress as a whole, and our many other partners to embrace our collective responsibility to serve Veterans.

Chairman Takano, Ranking Member Bost, this concludes my testimony. I am happy to respond to any questions you or the Committee may have.