



# **CONGRESSIONAL TESTIMONY**

**STATEMENT BY**

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**PROVIDED TO THE**

**HOUSE COMMITTEE ON VETERANS' AFFAIRS**

**SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS**

**HEARING ON  
"COUNTING THE MONEY: PREVENTING  
FRAUD AND ABUSE IN VA'S BONUS PAYMENT PRACTICES FOR VA EMPLOYEES"**

**JULY 22, 2025**

Chairwoman Kiggans, Ranking Member Ramirez, and Members of the Oversight and Investigations Subcommittee:

The American Federation of Government Employees, AFL-CIO (AFGE) and its National Veterans Affairs Council (NVAC) appreciate the opportunity to testify at today’s subcommittee hearing titled “Counting the Money: Preventing Fraud and Abuse in VA’s Bonus Payment Practices for VA Employees.” My name is Dr. Shiela Elliott, and for the past 35 years, I have and continue to serve as a Pharmacist at the Hampton, VA, VA Medical Center. I have also, until retiring last month, proudly served over 15 years as the president of AFGE Local 2328, which represents most direct patient care staff at the VAMC and its surrounding clinics.

On behalf of the 320,000 Department of Veterans Affairs (VA) employees AFGE represents, approximately a third of whom are veterans themselves, it is a privilege to offer AFGE’s views on how the VA should improve recruitment and retention for the VA workforce, both within the scope of recruitment, retention, and relocation bonus program, and beyond.

## **OIG Report**

On June 12, 2025, the VA OIG released a report titled “Recruitment, Relocation, and Retention Incentives for VHA Positions Need Improved Oversight” (“OIG report”).<sup>1</sup> As the report states, “[t]o address occupational shortages and facilitate hiring efforts, VA leverages federal regulations that allow agencies to offer recruitment, relocation, and retention incentives to encourage candidates to accept positions that are difficult to fill or to keep high-quality staff

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<sup>1</sup> “Recruitment, Relocation, and Retention Incentives for VHA Positions Need Improved Oversight” VA OIG 23-01695-94 | Page i | June 12, 2025

who may otherwise leave.”<sup>2,3</sup> In this report, OIG highlighted several problems with the administration and oversight of this recruitment, retention, and relocation bonus (“RRR bonus”) program that AFGE agrees with.

### **HR Modernization**

Chief among the problems identified in this report is the failure of VA Human Resources (HR). While VA did use this tool to recruit and retain VHA clinicians, there were clearly problems in how the RRR bonus program was administered to ensure that the correct employees were receiving the benefits and that the process was carried out appropriately. Many of these problems were first identified by the OIG in 2017.<sup>4</sup> Unfortunately, the report goes on to note that the “OIG team found VHA did not take sufficient steps to sustain or enforce the updated VA policies to ensure incentive packages were completed appropriately before payments were initiated. Further, VISN human resources staff acknowledged they did not always adhere to policy.”<sup>5</sup> The report then digs deeper by identifying “Beginning in FY 2019, VA also consolidated human resources responsibilities from the facility level to the VISN level, including oversight of incentives. During this transition, according to human resources officials, turnover led to a shortage of trained staff to conduct incentive oversight responsibilities.”<sup>6</sup>

AFGE has continuously criticized the HR centralization or modernization that the OIG is citing here, agreeing with the conclusion that it has led to increased turnover at the VA.

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<sup>2</sup> *Id.*

<sup>3</sup> Citing “Recruitment, relocation, and retention incentives are authorized under 5 U.S.C. §§ 5753 and 5754 are extended to title 38 employees under the authority of 38 U.S.C. § 7410. Title 38 employees are those individuals appointed under 38 U.S.C. § 7401, which permits the VA Secretary to hire personnel necessary for the health care of veterans and can include physicians, nurses, and dentists.”

<sup>4</sup> VA OIG, Audit of VA’s Recruitment, Relocation, and Retention Incentives.

<sup>5</sup> Recruitment, Relocation, and Retention Incentives for VHA Positions Need Improved Oversight” VA OIG 23-01695-94 | Page 11 | June 12, 2025

<sup>6</sup> *Id.* at 12.

Additionally, AFGE believes that HR not being in the facilities, and lacking familiarity with the workforce and the veterans they serve, exacerbates this turnover. In aggregate, this undermines the ability of HR professionals to properly serve employees generally, as well as administering the RRR bonus program. Furthermore, the OIG's citing of multiple instances of poor record keeping not only proves that certain employees may have incorrectly received the reward, but it also makes it harder to determine who has correctly received RRR bonuses.

In preparation for this hearing, when contacting the Hampton VAMC, we could find no public repository of data to show who has received RRR bonuses over the past several years. However, after reaching out to 800 bargaining unit members at Hampton VAMC this month on our own, AFGE had nine bargaining unit members self-report, from a variety of professions, that four recruitment bonuses, four retention bonuses, and one relocation bonus were awarded. These bonuses were awarded between 2021 and 2025.

While AFGE is pleased that at least nine employees received these RRR bonuses, we have no way of knowing if this benefit is being under, properly, or over utilized at Hampton VAMC compared to the rest of VHA. However, regardless of its relative utilization to other facilities, I can say with decades of experience at this facility that there is significant room for improvement, both at the VAMC itself and the brand-new North Battlefield Outpatient Clinic, which opened in 2025 with only 150 of 550 staffing positions filled. While AFGE acknowledges that medical facilities are not filled overnight, we urge the VA to use, and this committee to question the VA on how, this RRR bonus program is being used to fill positions and increase capacity at the North Battlefield Outpatient Clinic and at the Hampton VAMC?

### **Other ways to improve Recruitment at Retention:**

In addition to improving the RRR bonus program, AFGE has many other priorities within this committee's jurisdiction that would directly improve recruitment and retention.

### **AFGE/NVAC Collective Bargaining Agreement:**

As this committee is aware, on March 27, 2025, President Trump signed the Exclusions from Federal Labor-Management Relations Programs Executive Order 14251 (EO) eliminating the collective bargaining rights of 1.5 million federal employees at agencies including VA. This EO abuses the National Security exemption in Title 5 to eliminate collective bargaining rights in agencies that have little or no national security mission, including the VA workforce. It strikes down a central pillar of the 1978 Civil Service Reform Act enshrined in Title 5 of the U.S. Code that governs the merit-based system of selecting most federal employees, protects whistleblowers, and provides due process to federal employees who have been unfairly disciplined or terminated.

Continuing to deny large swaths of the VA workforce collective bargaining rights, will continue to harm recruitment and retention. As there is a critical shortage of health professionals in this country, why would high quality candidates want to serve in the VA, when they would retain not only union protections, but better salaries in the private sector? This is particularly egregious, as Secretary Collins played favorites when choosing whom to exempt from the EO, not by job description or duties, but by which union represents the employees in question. AFGE, as well as several of our sister unions, were not granted an exemption, and our members, despite having identical jobs to those in other facilities who were exempted from this EO, lost their collective bargaining rights. AFGE urges members of this committee to co-sponsor and

support H.R. 2550, the “Protect America’s Workforce Act,” which would nullify this illegal executive order.

### **Reforming 38 USC 7422**

As AFGE has testified to before this subcommittee, 38 USC 7422 has had a negative effect on recruitment and retention for Title 38 employees at the VA. Under this statute, the VA can invoke 7422 to deny a grievance for a Title 38 employee based on “professional conduct or competence” (including “direct patient care” or “clinical competence”), peer review, or “the establishment, determination, or adjustment of employee compensation.”

AFGE is proud to have worked with members of this committee in bipartisan fashion to craft the narrowly tailored “VA Correct Compensation Act” to better define the compensation language of the statute. AFGE has also long supported the “VA Employee Fairness Act” (H.R. 3261) which would effectively abolish 7422.

Any legislative action to rein in the abuse of 7422 by management would be a critical step to improve recruitment and retention of the VA workforce. However, while AFGE and other unions are subjected to EO 14251, there is no contract for affected Title 38 employees to file a grievance under. AFGE urges, particularly after the result of litigation or legislation related to EO 14251, for this committee to reform 7422 to better retain its Title 38 workforce.

### **Telework**

AFGE has long argued for the benefits of allowing telework or remote work for employees who can perform their duties remotely. Within the VHA space, this is particularly true for clinicians who practice in whole or in large part through telemedicine. However, since

most telework has been rescinded by this administration, many clinicians have had to report to a VA facility, and have been required to interact with patients remotely, often in crowded bullpens, to discuss private matters. This has harmed morale and retention of mission-critical and hard-to-recruit clinicians at the VA. Ironically, one of the RRR bonuses that AFGE could find was awarded to a former Hampton VAMC employee who for the last three years was a remote mental healthcare provider who was leaving their position due to the end of remote work. However, instead of leaving the VA, this employee received a relocation bonus to move to another facility. This has negatively affected the capacity of Hampton and reflects VA's overly broad approach to telework and telehealth.

### **Conclusion**

I hope that my testimony today leads the subcommittees to better consider ways to improve recruitment and retention at VA for clinicians. AFGE and the NVAC stand ready to work with the House Veterans' Affairs Committee and VA to make these recommendations and better enable VA employees to serve veterans. Thank you, and I look forward to answering your questions.