



**STATEMENT FOR THE RECORD  
OF  
THE AMERICAN LEGION  
TO THE  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES HOUSE OF REPRESENTATIVES  
ON  
"VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAMS"**

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Chairman Arrington Ranking Member O'Rourke and distinguished members of the subcommittee, on behalf of National Commander Denise Rohan and our 2 million members, we thank you for the opportunity to share the views of The American Legion regarding the Department of Veterans Affairs' Vocational Rehabilitation and Education (VR&E) program.

The Vocational Rehabilitation and Employment (VR&E) Program provides comprehensive services and assistance enabling veterans with service-connected disabilities and employment handicaps to achieve maximum independence in daily living, become employable, and maintain suitable employment. After a veteran is authorized to utilize VR&E, a vocational rehabilitation counselor helps the veteran identify a suitable employment goal and determines the appropriate services necessary to achieve their goal.

As our nation's servicemembers transition to the civilian sector, there is an ongoing need for retraining to independent living, achieving the highest possible quality of life, and securing meaningful employment. To meet America's obligation to these specific veterans and other eligible VR&E veterans, VA leadership must focus on marked improvements in case management and effective vocational counseling.

The successful rehabilitation of our severely disabled veterans is determined by the coordinated efforts of every federal agency [Department of Defense (DoD), Veterans Affairs (VA), Department of Labor (DOL), Office of Personnel Management (OPM), Housing and Urban Development (HUD), etc.] involved in the seamless transition from the battlefield to the civilian workplace. Timely access to quality health care services, favorable physical rehabilitation, vocational training, and job placement play a critical role in the seamless transition of each and every veteran, as well as his or her family.

Administration of VR&E and its programs is a responsibility of the Veterans Benefits Administration (VBA). Historically, VBA has placed emphasis on the processing of veterans' claims and the reduction of the claims backlog, which is extremely important. However, providing effective employment programs through VR&E must become a priority as well.

Until recently, VR&E's primary focus has been providing veterans with skills training, rather than obtaining meaningful employment. Clearly, any employability plan that

doesn't achieve the ultimate objective of a job is an injustice to those veterans seeking assistance in transitioning into the civilian workforce.

Vocational counseling plays a vital role in identifying barriers to employment that must be overcome, as well as matching veterans' skills with those career opportunities available to qualified candidates. Becoming fully qualified becomes the next logical objective towards successful transition.

Category	2013	2014	2015	2016	2017
VR&E New Claims	80,812	87,094	88,439	112,155	107,200
Caseload	135,815	148,229	166,511	173,606	172,323
Participants	112,659	123,383	131,607	137,097	132,218
Total Positive Outcomes	12,418	13,106	13,476	14,350	15,528
Case per Counselor Ratio	136.2	131.8	138.3	140	136.4

Between FY13 and FY17, VR&E applicants rose from 80,812 to 112,115, creating increased workloads for VR&E counselors tasked with developing employment goals and services for beneficiaries. The American Legion recognized the escalating problems associated with VR&E, and at our 2016 National Convention passed Resolution No. 345: *Support for Vocational Rehabilitation and Employment Program Hiring More Counselors and Employment Coordinators*<sup>1</sup>. Congress also recognized these problems, and sought to address them in Public Law 114-223. Specifically, Section 254 mandates that the Secretary of Veterans Affairs *"may use amounts appropriated.... to ensure that the ratio of veterans to full-time employment equivalents within any program of rehabilitation conducted under chapter 31 of title 38, United States Code does not exceed 125 veterans to one full-time employment equivalent.*

By 2017, the average caseload of a typical VR&E counselor was 136.4 veterans. With actual participants expected to rise by 17,000, it does not appear that VBA intends to meet this congressionally requested ratio. In order to fulfill the 1:125 counselor-to-client ratio in FY 2018, it has been estimated that VR&E would need 266 new full-time employees (FTE), for a total workforce of 1,550 FTE. Instead, VBA added only 61 FTE, and froze the VR&E request for direct personnel at 1,442 through 2019. Further, budgeted funds for estimated overtime have been slashed from \$996,000 to \$500,000, depriving overworked counselors the opportunity to help veterans.

Additionally, improvements made to veterans' claims, such as modernizing the appeals process, can only accelerate participation in the vocational rehabilitation program. Over \$135.5 million has been requested for the Board of Veterans Appeals and related information technology initiatives to reduce the pending appeals inventory. An additional \$74 million has been requested in President Trump's FY 19 budget to hire an additional

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<sup>1</sup> American Legion Resolution No. 345:  
<https://archive.legion.org/bitstream/handle/123456789/5663/2016N345.pdf?sequence=1&isAllowed=y>

605 full-time VBA employees to assist in decreasing and processing veterans’ claims. The American Legion’s fears that the unintended consequence of increasing the applicant pool for VR&E without increasing support staff for the critical program itself will cause further strain.

**BUDGET REQUEST TRANSPARENCY**

The FY 2019 VA Budget Request proposed a cut of \$59.8 million – over 18 percent – to the Vocational Rehabilitation and Employment Program. The wide majority of these cuts are outlined squarely in VR&E’s second largest line item: *Other Services*. The budget proposal attributes this cut to “*favorable pricing of a new Transition Assistance Program (TAP) contract which provides the required level of support at a considerably lower cost.*” Further review shows greater fluctuation in “Other Services”:

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 (projected)</b>
\$64,360,000	124,785,000	124,785,000	43,244	

While The American Legion appreciates the explanation for this reduction, it believes that greater detail needs to be provided. Questions remain as to why a renegotiated TAP contract is under Vocational Rehabilitation and Employment funding, and why this funding could not have been used as an offset to increase FTE for VR&E counselors.

**PERFORMANCE MEASURES**

The American Legion applauds the efforts of VR&E to continue to focus on designing performance measures to drive continuous improvement and achieve optimal outcomes for veterans. The FY19 budget request will continue to calculate Class Achievement Rate, which measures the percentage of veterans who after six years obtain a positive outcome and the number of veterans persisting in their enrollment, measured against all veterans in their cohort (class).

Based on the Vocational Rehabilitation and Employment Longitudinal Study Annual Report for FY 2016, 90% of VR&E participants have reported moderate to high program satisfaction<sup>2</sup>. While The American Legion applauds the success and focus that VBA has placed on customer service, we urge Congress to not discount the experiences of veterans dissatisfied with the program. Compared to other VA education and training benefits, the mishandling of a veteran’s case in the VR&E program carries significant consequences.

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<sup>2</sup> Vocational Rehabilitation and Employment (VR&E) Longitudinal Study (PL 110-389 Sec. 334). Vocational Rehabilitation and Employment (VR&E) Longitudinal Study (PL 110-389 Sec. 334).

As an example, a veteran enrolled in the Post 9/11 GI Bill may categorize their satisfaction with the VA as “poor” if they have encountered multiple late payments. This could potentially impact their enrollment times, and at worst, delay their graduation .

A veteran enrolled in the Vocational Rehabilitation Program may categorize satisfaction with the VA as “poor” if their entire course of study was rejected by their Vocational Rehabilitation Counselor, despite the knowledge of other veterans in the program who are pursuing comparable rehabilitation plans. The result of this experience thus has life-altering implications.

While the JD Power & Associates Voice of the Veteran Continuous Measurement Surveys do not indicate that this is a widespread problem, The American Legion has received enough anecdotal evidence from our members across the country that leads us to believe this still warrants attention. It is clear that the individualized nature of developing employment plans makes for incredibly difficult decisions on the part of Vocational Rehabilitation Counselors. In addition to assessing the veteran’s needs, skills and abilities, the counselors also have to reconcile economic conditions and employment trends to determine the best course of action for the veteran. Often times these counselors must be the bearers of bad news, and they should be adequately empowered to make these judgments. However, appropriate recourse for veterans concerned with the decisions of their counselors needs to be improved.

Evidence of the need for this can be found as recently as April of 2018 in the case of Atius Technology Institute. The owner of Atius Technology Institute (“Atius”), a privately owned, non-accredited school specializing in information technology courses, plead guilty to bribing a Vocational Rehabilitation Counselor in exchange for the public official’s facilitation of payments that were supposed to be dedicated to providing vocational training for vocational rehabilitation. Over the life of the scheme, Atius defrauded the Department of Veterans Affairs, veterans, and the American taxpayer out of \$2.2 million dollars. The counselor certified veterans attending Atius were enrolled in up to thirty two hours of class per week, when in fact, Atius offered a maximum of six weekly class hours. In order to do this, it is likely that many veterans were manipulated into attending the fraudulent institution.

While the case of Atius is extraordinary, the lessons that can be drawn from it are important: if a veteran enrolled in the Vocational Rehabilitation Program believes that something is not right with the decisions or conduct of his or her counselor, intentional or otherwise, that appropriate recourse is available to address potential inequity.

### **Conclusion**

In closing, The American Legion supports this important program, that has helped thousands of veterans become better trained and capable of obtaining quality employment. Further, The American Legion is committed to working with the Department of Veterans Affairs and this committee to ensure that America’s veterans are provided with the highest level of employment assistance.

Chairman Arrington, Ranking Member O'Rourke, and distinguished members of this committee, The American Legion thanks this committee for holding this important hearing and for the opportunity to explain the views of the 2 million members of this organization. For additional information regarding this testimony, please contact Mr. Jonathan Espinoza, Legislative Associate of The American Legion's Legislative Division at (202) 861-2700 or [jespinoza@legion.org](mailto:jespinoza@legion.org)