

**STATEMENT OF
J. MARGARITA DEVLIN
ACTING PRINCIPAL DEPUTY UNDER SECRETARY FOR BENEFITS
PERFORMING THE DELEGABLE DUTIES OF
UNDER SECRETARY FOR BENEFITS
VETERANS BENEFITS ADMINISTRATION
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
U.S HOUSE OF REPRESENTATIVES
ON
PATH OF PURPOSE: RESTORING THE VA VR&E PROGRAM TO
EFFECTIVELY SERVE VETERANS
JULY 16, 2025**

Chairman Van Orden, Ranking Member Pappas, and distinguished members of the Subcommittee, I appreciate the opportunity to appear before you today to discuss the Veteran Readiness and Employment (VR&E) Program.

I had the privilege of seeing the transformational impact of the VR&E program from multiple vantage points. I began my journey as a counselor working directly with Veterans to navigate their career paths and achieve their goals. I then had the honor of holding several leadership positions in VR&E in the field and at headquarters. At every level I witnessed how the program can truly change lives—helping Veterans rediscover purpose, achieve independence, and thrive in their post-service careers. During the first Trump administration, I served as the Principal Deputy Under Secretary for Benefits. One of our top priorities at that time was to address staffing shortfalls in VR&E by working diligently to achieve the counselor-to-Veteran ratio of 1 to 125. That is why it was especially disheartening to see much of that progress eroded over the past 4 years.

Challenges and Change

One of the challenges we face is the result of programmatic mismanagement over the past few years, which diverted critical funding away from hiring much needed counselors. Under this Administration's leadership, I developed a resourcing plan to ensure that resources allocated to VR&E through the President's budget are fully directed to the mission they are intended to support. Bottom line—not having focus on the program and ignoring the challenges it faced was unacceptable.

Despite these challenges, we made meaningful progress in the past couple of months. I understand that your staff recently visited our San Diego Regional Office. I hope you saw there that we are working hard to make changes to better serve Veterans.

Other significant changes currently in progress include improving workload management, which you highlighted in previous hearings—high wait times and cases so old due to lack of proper oversight.

We also are accelerating eligibility decisions and making sure Veterans are getting the timely support they deserve. We deployed help teams, streamlined processes, and focused squarely on service delivery.

Under new leadership, my commitment is simple. I want to restore your trust in the VR&E program and earn the trust of the Veterans and transitioning Service members who earned this benefit and deserve only the best.

Program Overview

The mission of the Veterans Benefits Administration (VBA) VR&E program is to assist Service members and Veterans with a service-connected disability that limits their ability to work or prevents them from finding or maintaining suitable careers or living

more independently. VBA achieves this mission by providing direct counseling services to ensure participants' goals are not only achievable but attained.

VR&E assists Service members and Veterans to find a suitable career goal or to live more independently through its five tracks of service: (1) rapid access to employment, (2) re-employment, (3) employment through long-term services, (4) self-employment, and (5) independent living. VR&E works directly with Service members and Veterans to identify suitable goals and develop a highly individualized plan for them. VR&E also monitors their progress and provides professional counseling and support by trained Vocational Rehabilitation Counselors (VRCs) and Vocational Rehabilitation Specialists (VRS).

Program Growth, Staffing, and Workload Management

VA consistently monitors Veteran participation in VR&E services to ensure that the program provides dedicated and focused counseling that leads to successful employment outcomes. From October 2020 to June 2025, the VR&E caseload grew significantly. The caseload was 112,627 in October 2020 and is 186,826 as of June 2025, reflecting a total growth of 52.3%. This sharp increase underscores the escalating demand for VR&E services, driven by an increase in the eligible Veteran population due to the PACT Act and Benefits Delivery at Discharge program, as well as successful outreach efforts aimed at informing more Veterans about the program. This includes the program name change in June 2020, to better reflect the program's focus on helping Veterans achieve their employment goals and reduce any stigma or confusion associated with the previous name.

Staffing allowances in the past few Fiscal Years allowed VR&E to hire 1 counselor for every 140 Veterans in the program. However, with VBA's current counselors onboard, VR&E is at a national caseload ratio at 1 to 175. VR&E currently requires an additional 387 **counselors** to meet the growing demand for VR&E services and drive the staffing toward 1 to 125 counselor to caseload ratio. While VA is reviewing

the staffing levels and budget, VR&E is actively taking steps to ensure that every Veteran receives the care and benefits they earned.

VBA is addressing the increasing VR&E workload through several approaches. In recent months, we implemented a help team approach to reduce pending applications at several stations. In this model we take a team of 11 Quality Review Specialists and partner them with station resources to conduct group orientation sessions and expedited entitlement determinations in the initial stages of the VR&E claims process. This implementation allows us to reduce the pending work at the application and evaluation and planning stages, thus providing faster decisions to Veterans. The San Diego Regional Office (RO) used this approach, and recently other stations used this approach to assist pending workload. Quality Assurance results will be monitored to determine if there is an impact to claim quality.

We implemented brokering strategies to address geographical demand and make the most efficient use of our national resources to process pending claims timelier. Stations with the highest caseload ratios broker work to stations with lower caseloads, thus allowing the pending work to be addressed more efficiently. We shift work strategically to balance demands and resources nationwide, thus improving the timeliness of services to Veterans. We employ a combination of a regular brokering cadence and supplement this by addressing surges in workload as needed. We conduct a regular analysis of all workload stages and make adjustment as needed.

We also address our increasing claims inventory by using contracting funds. We are using contracting funds to target assistance to stations with high workloads. The primary focus is on the reduction of the applicant workload but also focuses on cases in the interrupted status. We assign contract dollars as needed for this effort to ensure the funds are allocated based on greatest workload need. Initial results of this new effort are positive.

We are taking advantage of technology to improve our service to Veterans participating in the VR&E program. We launched the Electronic Virtual Assistant (eVA)

system on June 20, 2020, which increased efficiencies in administrative duties like requesting and collecting documents in support of the claim and sending appointment reminders. We began implementation of our new Readiness and Employment System (RES) nationwide on May 19, 2025. RES is a new modern case management system that will ultimately replace the legacy system, CWINRS.¹ RES will increase automation and reduce manual calculations, reduce the time needed to perform case management activities, display real-time eligibility and benefit information, and improve business processes to name a few. We will complete this staged implementation roll out by the end of September 2025. Once RES is fully deployed, it will capture additional efficiencies in the establishment of new cases, automate certain financial functions, and provide a more efficient VRC user interface. Veterans will experience reduced wait times and faster decisions.

To address the growing demand for VR&E services, we designed these multiple approaches to mitigate against the current staffing shortage. In addition to these efforts, we use and leverage overtime funds for addressing high priority areas, conduct monthly calls with stations for discussing the status of aging cases, and increase oversight and management support for improving efficiency, applying best practices, and ensuring agile workload strategies are in place.

Program Oversight

VA's dedication to improving the VR&E program led to several initiatives aimed at enhancing service delivery for Veterans. Our comprehensive plan to enhance VR&E program compliance underscores our strong commitment to proper oversight, regulatory adherence, and consistent service delivery across all regional offices. Due to the increased demand for services, national compliance required additional oversight for workload management and customer service strategies. Consequently, we adjusted

¹ Corporate Winston-Salem, Indianapolis, Newark, Roanoke, and Seattle System. The name is derived from the first letter of the names of the five pilot test stations that tested the original program. It is an automated case management system supporting the VR&E program (legacy).

auditing processes to ensure field leaders had the necessary knowledge and skills to meet larger workload demands.

As part of this initiative, we designed revamped site visit protocols to ensure consistency and thorough workload management. We structure these visits to identify best practices, address challenges, and ensure compliance with regulations, policies, and procedures. The goals are to guarantee consistent service delivery across all VR&E ROs, provide comprehensive workload management and oversight, highlight and share best practices, and promptly address challenges. These measures reflect our dedication to improving the VR&E Program and offering Veterans the highest quality of service.

VA is committed to ensuring that congressional intent is carried out in a fiscally responsible and responsible manner to honor Veterans enrolled in the program. An example of VA's responsiveness is demonstrated by the quick actions taken as a result of a 2023 Office of Inspector General (OIG) report. VA demonstrated proactive leadership and commitment to compliance by implementing significant reforms to ensure adherence to Chapter 31-only program requirements. OIG identified that VR&E did not correctly implement the law requiring individual waivers from the executive director for each participant in a Chapter 31-only program.

VA updated its guidance, emphasizing that VRCs must use approved GI Bill programs to the maximum extent. VA worked to ensure only Veterans in unique circumstances received approval to attend a program with this limited authority. VA provided training, updated national procedures, and discontinued facilities outside of congressional intent in less than a year. We complemented these efforts with the establishment of robust monitoring processes, including the implementation of compliance surveys and Department-wide auditing, thus ensuring all Chapter 31-only programs align with legislative intent. VA's proactive actions reflect a dedicated effort to enhance program integrity and ensure that Veterans receive the highest standard of service. These initiatives fortified VA's compliance framework and reaffirmed its commitment to accountability and oversight of Veteran service delivery.

VBA also conducts monthly national quality assurance (QA) reviews on random samples from each RO, alongside individual case manager performance assessments through QA reviews conducted at each local office. As of May 2025, VR&E exceeded the outstanding target in all national performance metrics including Fiscal Accuracy (96%), Case Management Accuracy (84%), and Program Outcome Accuracy (98%).

VR&E related legislation

VA testified before the House Committee on Veterans' Affairs Subcommittee on Economic Opportunity on June 11, 2025, on several bills that would impact the VR&E program. VA supported the proposed legislation that would limit the extension of a vocational rehabilitation program under Chapter 31 to 96 months unless the Secretary determines that extraordinary circumstances apply and submits written notices of the extension and the extraordinary circumstances to the House and Senate Committees on Veterans' Affairs. The limitations on extensions in the proposed bill would ensure that resources are used effectively and fairly. The goal of the VR&E program is to provide personalized support tailored to each Veteran's rehabilitation objectives, thus helping them achieve suitable employment or live more independently within a reasonable timeframe rather than extending benefits indefinitely. Furthermore, VA proposed an amendment to align the calculation of entitlement for the VR&E program with other VA education programs. This amendment aims to reduce the disparity in the order of usage and address reductions of entitlement in the VR&E program resulting from the transfer of entitlement to a dependent.

VA also supported H.R. 3579, the Veterans Readiness and Employment Program Integrity Act. This proposed legislation would require the Secretary to report on the employment and annual wages of its participants, thus ensuring Veterans are achieving meaningful employment. It also would require the Secretary, on an annual basis, to publish on a VA website the average wait time from when a Veteran requests a vocational rehabilitation program under Chapter 31 to when the Veteran first meets with a counselor as part of the Veteran's program.

Additionally, H.R. 3579 proposes a 1-year limit on employment assistance for Veterans who have previously participated in the VR&E program or a similar vocational rehabilitation service. Research indicates that the highest engagement in employment services typically occurs within the first 3 to 6 months. Most participants find employment during this timeframe. VA suggested an amendment to apply a similar limitation to counseling and placement and postplacement services addressed in section 3105(b)(1), which currently allows for assistance for up to 18 months. This limitation aims to ensure that services and resources are used more efficiently and effectively.

The VR&E program acknowledges that collecting and reporting data is crucial for demonstrating the program's effectiveness and improving its services. The program recently achieved split positive outcomes to show those metrics on Veterans who obtain employment and those who have achieved rehabilitation to the point of employability. The program constantly seeks ways to demonstrate a good return on investment and ensure that it effectively meets the needs of Veterans participating in the VR&E program.

Employment Metrics

Veterans who complete a program of rehabilitation show significantly better outcomes compared to those who stop participating such as higher employment rates (73% vs. 43%), greater income earnings (\$80k vs. \$50k), and increased home ownership (77% vs. 62%).²In addition, their reliance on supplemental programs decreased (35% vs. 58%), thus highlighting participants successful transition and reduced need for further support.

Continuing our commitment to helping more Veterans successfully transition into the workforce, VR&E focuses on employment outcomes. An employment outcome represents a rehabilitation when a Veteran completes their program and is successful in

² [FY 2023 Veteran Readiness and Employment \(VR&E\) Longitudinal Study](#)

gaining suitable employment. From fiscal year (FY) 2020 to FY 2024, VR&E Service recorded a consistent number of employment outcomes, over 10,000 each fiscal year, and 10,501 in FY 2024 alone. In FY 2025, 7,486 employment outcomes were achieved through June 20, 2025, which is currently 9% over the established target for Employment Outcomes.

Readiness and Employment System

As noted earlier in this testimony, VR&E began implementation of the RES nationwide. A significant leap toward enhancing efficiency and service delivery, VR&E successfully automated the eligibility determination process through the RES. This process, previously requiring the effort of two employees, was streamlined to require only one employee, thanks to the integration with the Master Person Index and VA Profile. When an application arrives in RES, it is immediately matched with enterprise data to automate previously manual data entry, thus ensuring all necessary information is readily available. The system's intuitive design processes the data and uses green checkmarks and red X's to visually represent eligibility decisions, thus simplifying the validation process for field staff. This automation not only expedites decision-making but also allows staff to focus on more critical aspects of their roles. Accepted applications lead directly to case creation and the assignment of a VRC, thus ensuring timely service for Veterans. By the end of the pilot, RES automation demonstrated an average processing time for Eligibility of 3.4 days, versus over 7 days in the legacy CWINRS platform.

RES significantly increases the availability of real-time data, thus enabling more informed and accurate entitlement decisions through automated business rules. By consolidating various data sources and providing comprehensive insights into each Veteran's profile, RES helps address individual needs more effectively and optimizes the support provided. In addition, RES's embedded analytics and robust tracking of case management enable more effective decision-making and workload management.

Since October 9, 2024, the automation processes within RES eliminated 5,903 hours of manual data entry, thus allowing field staff to dedicate more time to directly supporting Veterans. The automated eligibility determinations transformed a two-person intake process into a simplified one-person review, which greatly improved efficiency. In addition, the automation of calculation and case approval processes reduces the need for out-of-system procedures, thus simplifying data management. The implementation of a modern user interface based on human-centered design principles minimizes fatigue and ensures easy access to information within correct workflows, thus further reducing administrative constraints.

Conclusion

In conclusion, VA is fully committed to making the improvements necessary to strengthen the VR&E program from ensuring fiscal stewardship and filling critical vacancies to modernizing how we deliver services. At the heart of all this work is one goal: ensuring that Veterans receive the support they earned, when they need it, without lengthy wait times. We know we have work to do, and we are determined to get it right. Our Veterans deserve nothing less. Mr. Chairman, this concludes my statement. I would be happy to answer any questions you or other members of the Subcommittee may have.