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"IT INFRASTRUCTURE MODERNIZATION: ADDRESSING ONGOING
CHALLENGES AND THE PATH FORWARD"
BEFORE THE
SUBCOMMITTEES ON TECHNOLOGY MODERNIZATION
AND OVERSIGHT AND INVESTIGATIONS
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

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Good afternoon, Chairman Mrvan, Chairman Pappas, Ranking Member Rosendale, Ranking Member Mann and distinguished Members of the Subcommittees. Thank you for the opportunity to share my initial thoughts about the Department of Veterans Affairs' (VA) Office of Information and Technology (OIT) and efforts to modernize and secure the Department's information technology (IT).

I am excited to leverage my experience leading large software development projects and teams of similar size and complexity to help our Nation's Veterans. I have observed that OIT has areas where best practices from commercial software development can strengthen the IT processes and further expand the culture of excellence at VA. I believe there has never been a time when IT excellence has been more important for VA and for the Government overall. The Department is undertaking a large and complex replacement of the electronic health record system, updating the financial management and logistics systems and making critical enhancements to medical and benefits systems to enable support of Veterans, their caregivers, and families. Excellence in delivering on the core missions of VA depends heavily on success in these systems' transformations.

I have led similar, highly complex transformations in my time as a senior executive at Microsoft, specifically leading the Microsoft Office organization during its transformation from on-premises software to a world-class cloud service. I led the transformation of our internal systems development teams into a first-rate software development organization. VA is well positioned to transform its internal systems and process into a high-performing IT organization.

I did not come into this role thinking technology can solve everything or that commercial practices can be transferred as-is to a large and complex Government organization like VA. I do, however, believe that for such projects to be successful they must start with a clear vision, development plan, success metrics and strong collaborative partnership with all stakeholders, including Members of Congress. You

play an essential role in both oversight and enacting legislation to support Veterans, their caregivers, and families.

Since being sworn in as Chief Information Officer (CIO), I have been focused on getting up to speed on the top priorities and projects of OIT; meeting key stakeholders to gain an understanding of the requirements; understanding the operations of OIT; and formulating a path forward for how OIT will engage its internal and external stakeholders going forward. I have jumped into this work with enthusiasm, seeing the potential OIT has to help deliver on VA's mission to serve Veterans, caregivers, and their families. I have developed a perspective on how the great work of the Department can be further enhanced to deliver on that mission through IT modernization. Obviously, I still have a great deal to learn. In my testimony today, I will limit my remarks to what I have observed during my short tenure as VA's CIO. You have my commitment to being open and transparent about our progress and issues we are addressing here at VA. Developing a strong collaborative engagement with this Committee is critical to our success.

First, I would like to address the question of how such a large complex organization like OIT can best run. While there are multiple answers to this question, mine is rooted both in my experience running a similarly complex internal IT team at Microsoft. To focus on delivering solutions to meet stakeholder needs both now and into the future, the OIT team will be anchored around a vision that clearly articulates the key service delivery goals of the organizations that OIT supports. From that, we will derive the vision for services we will develop to support those missions. This vision is deeply rooted in and derives from the end goals of VA overall: serving the needs of Veterans, their caregivers and their families. From this stakeholder-centered vision, which gets updated regularly, we can develop project plans using an agile development methodology and maintain an up-to-date list of project priorities. At the core of how OIT operates is our focus on outcome-driven metrics and scorecards that measure our progress and the quality of our operations delivery to stakeholders. OIT has established the foundation of this operational approach but is early in this journey. A good deal of my focus over the past month has been to understand where we are in that journey and to help the team hone our approach to achieve the level of clarity and sophistication common in the commercial engineering field.

With that as backdrop, below is a summary of topics and projects that we have worked on as a team and that are important for us to make progress on in the year ahead.

Engineering Excellence

Engineering Excellence is the discipline of continuous improvement in how we execute our mission. It is the process of stepping back and looking at how we work and developing priorities and action plans for improving that execution. This involves all aspects of the team's work, from how software development is conducted, how ongoing operations are performed, how we allocate resources and how we develop the skills of

our team members. There is a lot of work going on in the team in these areas, but we have an opportunity to pull them together into a clearer, prioritized agenda. In this work, we need to consider a number of questions including: how we can best do software and services development in an environment of heavy outsourcing to external contractors; how we can continuously prioritize our work to ensure we are delivering on the most important capabilities for stakeholders; how we resource our work, especially addressing the extensive system modernization needs of the department; how we create and operate a high reliability infrastructure; and how we develop, organize and reward a highly capable tech workforce to deliver on the Department's mission and vision. This must be a process of focused, continuous improvement for OIT.

Resource Prioritization and Allocation

Resource allocation is a complex topic in our environment with competing demands and often limited funding sources. It is critical that we create and maintain clarity in each OIT work portfolio of the project priorities and funding levels. This will in turn help us drive clarity in our articulation of funding needs to Congress. It will also create vital transparency with stakeholders on what work is and is not being executed at any point in time.

Security

VA receives directives from our Federal partners concerning how to secure our infrastructure. Collectively, these directives create a rich set of requirements that help to drive a strong security posture. It also creates an environment where a tremendous amount of effort is focused on complying with these directives. There is a risk that organizations like OIT will think that implementing these important directives is the primary response to securing our infrastructure. However, we need to be sure that we complement efforts to implement these directives with a clearly articulated shared vision, roadmap and metrics that represent VA's cybersecurity strategy and current posture. This is critical to help guide our entire team's day-to-day work, enabling people to build secure practices into everything that we do, and enabling them to ensure that all new capabilities that we build and existing systems we run are secure by design. The directives presented to us are critical input into that strategy and a key priority for us. In this sense, the directives and the strategy must go hand-in-hand.

Delivering on End User Expectations

The rapid pace of digital transformation writ large has created an expectation of consumer satisfaction in systems that Veterans and our employees use to obtain and deliver services at VA. OIT has accomplished great work in redesigning key systems like the VA.gov website, including the recent launch of a new mobile app experience that is receiving positive feedback from Veterans. Internal to VA, we have worked hard to improve the experience our employees have when using computer systems to do their jobs. We measure customer feedback when users have a problem using industry measurement methods such as Net Promotor Score, and these scores have improved

over time. Having said that, we are early in this journey. We have an opportunity to place user-centric design at the core of all we do. OIT must establish user satisfaction and other experience-centric metrics in the core of our score-carding and continuous improvement efforts. We must set goals for these metrics that aligned with typical scores received by similar services in the consumer world and among other commercial services. To accomplish these goals in an efficient and effective manner will require us to look deeply at all we do. We will have to consider potential new models of service delivery that will continue to push our improvement and do so in a cost-effective manner. This is a particular place where advanced software capabilities and expert systems can be put to use, such as by identifying problems in users' computers before they file a trouble ticket and even remediating all computers with this problem automatically.

Electronic Health Record Modernization (EHRM)

As this Committee is aware, a new project governance structure was put in place just over a month ago for the EHRM project, under the leadership of Dr. Terry Adirim. This structure brings together the key stakeholders into a shared leadership construct, so that the project can address the most critical needs of clinicians to provide high-quality care to our Veterans and to tackle the enormous complexity of rolling out a new EHR system. We have provided a very capable leader, Ms. Laura Prietula, who previously led the health care portfolio work for OIT, to this new EHRM leadership team. Moreover, we are engaged deeply with this team to ensure that the infrastructure necessary to make the rollout successful is available in a timely manner. In addition, I believe there is an opportunity for our team to use this project as a vehicle to define and implement a set of state-of-the-art practices in tracking and assuring the reliability of the infrastructure that we provide for VA's new EHR and to use this as a model for the infrastructure delivery that we provide for the most critical systems across VA. EHRM infrastructure work dovetails with our infrastructure readiness plan and efforts to establish a four-year tech refresh cycle at VA to limit future technical debt.

Financial Management Business Transformation (FMBT)

FMBT is VA's effort to modernize and standardize VA's financial and acquisition management systems and processes. To realize this goal, VA is implementing an enterprise-wide, cloud-based Integrated Financial and Acquisition Management System (iFAMS). VA successfully migrated the National Cemetery Administration (NCA) to iFAMS in November 2020, followed by segments of the Veterans Benefits Administration (VBA) in February and May 2021. An additional 20+ waves are scheduled over the next 7 years, with Enterprise Acquisition for NCA scheduled for April 2022 and the Office of Management scheduled for July 2022. The program is replacing VA's over-35-year-old legacy system with a modern, integrated commercial-off-the-shelf system. OIT will continue to support the successful rollout across the rest of VA.

Supply Chain Modernization

As the Committee is aware, our Chief Acquisition Officer, Mike Parrish, is leading the enterprise-wide supply chain assessment to evaluate and develop our strategy for supply chain modernization. OIT is providing technical support for this evaluation and will engage with our enterprise teams in implementing the recommendations of the assessment.

Conclusion

In summary, I am excited about how OIT is currently helping improve the service experience and outcomes for Veterans, caregivers, and their families as well as for VA staff who come to work every day to serve them. I am even more excited about the path ahead. Veterans have come to expect the same level of access and convenience in their engagement with VA as they experience with other modern digital experiences. They should expect no less from us. We are committed to continued modernization and enhancement of the digital capabilities of this Department—in service to our staff, Veterans, their caregivers, and families.

Chairmen Mrvan and Pappas, Ranking Members Rosendale and Mann and Members of the Subcommittees, thank you for your continued support of VA and our mission, as well as the opportunity to testify before you today. I look forward to responding to your questions.