STATEMENT OF JULIE HOWELL ASSOCIATE LEGISLATIVE DIRECTOR OF GOVERNMENT RELATIONS PARALYZED VETERANS OF AMERICA BEFORE THE HOUSE COMMITTEE ON VETERANS' AFFAIRS SUBCOMMITTEE ON ECONOMIC OPPORTUNITY ON "VETERAN READINESS AND EMPLOYMENT: IS VA SUCCEEDING?"

SEPTEMBER 15, 2022

Chairman Levin, Ranking Member Moore, and members of the Subcommittee, Paralyzed Veterans of America (PVA) appreciates this opportunity to discuss the effectiveness of the Department of Veterans Affairs' (VA) Veteran Readiness and Employment (VR&E) program. VR&E helps veterans as they work to rebuild their lives in the face of disabilities that result from their military service. The services available to veterans with catastrophic disabilities are critical in allowing them to benefit from the opportunities fostered by disability civil rights laws, including the Americans with Disabilities Act (ADA).

Until the passage of the ADA in 1990, there were no widespread protections in federal law prohibiting disability-based discrimination in employment. PVA was a leader in advocating for the passage of this seminal civil rights law that provides equity of opportunity and access for people with disabilities, including veterans. Despite increasing numbers of people with disabilities finding and retaining employment, too many have continued to encounter barriers to entering or remaining in the labor market.

Background

For over a century, VR&E has provided critical resources that contribute to the holistic well-being of our nation's disabled veterans. The program enables veterans with service-connected disabilities to obtain training and employment assistance if those disabilities impede their ability to engage in meaningful employment. The program helps veterans across a number of employment-related tracks: reemployment, rapid access to employment, self-employment, employment through long-term services, and independent living. VR&E is not an entitlement program, nor should it be seen as such.

More than 125,000 veterans were enrolled in VR&E in Fiscal Year 2021. Another 28,000 veterans received evaluation and counseling services, and nearly 12,000 veterans were successfully "rehabilitated." According to VA's Annual Benefits Report for that year, nearly 70 percent of veterans enrolled in the VR&E program had a serious employment handicap or significant impairment to their ability to prepare for, pursue, or retain employment.²

¹ Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report for FY 2021

² Id.

Veterans who have developed disabilities due to their military service that then create barriers to employment have earned every opportunity available to allow them to find success in the labor market. For some veterans, this may mean building a small business, while for those with the most significant disabilities, it may mean working remotely or part-time. Whatever the future holds for these veterans, a robust VR&E program is critical to the long-term success of our nation's efforts to help veterans with service-connected disabilities transition into employment following their service, despite how long ago they may have separated.

Improve Transparency and Data Collection

For years, veterans service organizations (VSOs) and Congress have been discussing the need for increased transparency and outcome metrics for the VR&E program. A common sentiment seems to be that VR&E should be "the crown jewel of benefits" that the VA provides; however, until we know more about what is happening behind the scenes, we cannot address program shortcomings.

The data collected in VA's Annual Benefits Report is invaluable in tracking participation in the VR&E program; however, it lacks essential metrics critical to understanding its overall success. Failure to monitor participation per track results in a lack of crucial data that would allow VA and external stakeholders to gauge the real impact of the VR&E program as well as the overall success and interest of the individual tracks.

Some of the biggest shortcomings of VA's current data collection for the VR&E program are the inability to track program denials, veteran drop-out rates, and the number of participants that enrolled after gaining acceptance through the appeals process. In VR&E Longitudinal Study Annual Reports collected over the past several years, the "discontinued" rate has been over 50 percent for each cohort.³ Without additional information explaining why someone discontinued the program, the VA cannot determine if a veteran was unsatisfied with the program, if they completed their training and decided not to engage with the study, or if another reason caused them to stop engaging.

This is just one example of why VR&E should begin a more robust data collection process at each stage of the program. Garnering more information will help VR&E stakeholders, internal and external, improve the program's overall performance and success.

Improve Collaboration with Public and Private Partners

Continued administrative constraints within the VR&E program complicate the ability of VR&E counselors to provide intensive services for veterans with multiple barriers to employment. One way to maximize existing VR&E services is to increase partnerships with community organizations that provide specialty placement services and other federal programs that offer employment services for veterans with disabilities. For veterans with

³ <u>US Department of Veterans Affairs, Veteran Readiness and Employment (VR&E), Longitudinal Study Annual Report</u> 2021 for FY 2020

complex needs due to their disabilities, these partnerships may provide the lifeline that results in long-term employment success.

As a result of the barriers to employment faced by our members, PVA launched its own vocational rehabilitation and employment program in 2007. Our Veterans Career Program (VCP), formerly known as PAVE, provides free employment support and vocational counseling assistance to all veterans, transitioning service members, spouses, and caregivers. The program has offices co-located in VA medical centers in Richmond, San Antonio, and Minneapolis, as well as remote staff working in San Diego, Boston, and Atlanta. VCP works nationwide using a hybrid, integrated approach to assist veterans and transitioning service members who face significant barriers to employment and their spouses and caregivers.

VCP provides clients with one-on-one career counseling and assistance. The program's services are available to any disabled veteran, including those who are non-service connected. Our counselors offer proactive, rapid engagement to ensure newly injured or ill veterans quickly learn about the services and supports available to help them return to work.

VCP also holds virtual information sessions to help veterans learn skills such as resume writing and requesting workplace accommodations, as well as sessions promoting VA programs such as VR&E. In the last information session held on the VR&E program, over 500 people registered to attend. Veterans are eager to know and understand the VR&E program, and VCP is happy to assist in outreach.

Even though VCP's counselors serve some of the most difficult-to-place clients, including those living with serious illness or injury, they have a high success rate in helping veterans return to work. Several placements made with the assistance of VCP have been disabled veterans initially denied access to VR&E. These veterans were deemed "unfeasible" by the VR&E program. Many were turned away by VR&E conselors and encouraged to rely on their disability benefits and other financial resources available to them.

One positive outcome of the COVID-19 pandemic is that the nature of work has evolved. For a catastrophically disabled veteran, telework or part-time work might be the only viable options. They may need some workplace accommodations and additional support, but they should be allowed the opportunity to engage with work. Increasing employment opportunities provides these veterans with meaningful employment and wages to cover their costs and engagement and purpose, which directly impact their quality of life.

Vocational counselors must have the time and resources to properly evaluate veterans who have significant yet manageable physical and mental health disabilities for services and perform the necessary associated tasks. Even an experienced counselor needs sufficient time to carefully evaluate and collect information, and ultimately, guide their clients. The counselor's job is to keep up with planning and all the necessary behind-the-scenes paperwork, with an eye on moving the case forward. While managing a caseload, the vocational counselor also needs to remain up to date on training programs, and the "world of work." At the very least, the counselor has to be familiar with training programs, universities, jobs in the community, resources, and more. All of this is an important function of the job that takes time. If a medical provider determines that a veteran can safely return

to work, VR&E counselors should use every resource available to help veterans receive and successfully benefit from employment services.

VSOs are in a unique position to provide an additional level of support for veterans that may struggle with understanding and accessing the many programs and benefits the VA offers. We are also a resource to the VR&E program to help elevate the stories of veterans who may be struggling with access to the VR&E program. Specifically, VSOs are a partner that can help the VA better support the veterans they serve and to ensure VR&E is working for all eligible veterans.

Invest in the VSOC Program

According to the Annual Benefits Report, almost 90 percent of VR&E participants were enrolled in undergraduate or graduate programs, and likely enrolled in the Long-Term Services track. Because of the high percentage of VR&E participants attending traditional education programs, increased resources are needed to expand the Veteran Success on Campus (VSOC) program.

As of March 2022, 274 institutions of higher learning (IHL) were on the waiting list for the approval of a VSOC counselor. Several schools on the list have been waiting for more than a decade for approval. The last expansion of the VSOC program was in 2018.

VSOC offices allow VR&E participants to have a more robust relationship with their VR&E counselors. However, the strict criteria for eligibility and development of a VSOC office restrict the number of offices on IHLs. VR&E needs to reevaluate the future of these critical offices. Innovative solutions exist to increase the number and reach of VSOCs for future disabled student veterans. By establishing a memorandum of understanding for neighboring campuses and developing partnerships to serve multiple schools with lower veteran enrollment, the VR&E program could cover more ground, serve more veterans, and reduce the administrative burden on traditional VR&E counselors working directly with employment services for veterans outside of a college campus.

VA data shows that from February 2021 to February 2022, VSOC offices had more than 23,000 engagements with student veterans. Eighty-seven Vet Success counselors and 99 Integrated Disability Evaluation System (IDES) counselors facilitate the warm handoff from separating service members to the VR&E program. While VR&E employs more IDES counselors than VSOC counselors, IDES only engaged with 13,576 service members. So, even with less staff, VSOC counselors engaged with nearly 10,000 more clients than IDES representatives.

The VSOC program needs to be expanded and reimagined. The role and hiring requirements vary from a traditional VR&E counselor and that should be taken into consideration as we look to the future of the VSOC program. There are innovative solutions that can solve staffing needs for VSOCs as well as alleviate some administrative burdens faced by traditional VR&E counselors.

Address Vacancies and Counselor Morale

Addressing the waitlist for VSOCs across the country is only one aspect of dealing with staffing capacity issues for the VR&E program. As of August 2022, the VR&E program has 84 vacancies for counselors. This may seem small but it is almost 10 percent of their counselor authorizations and could represent nearly 10,000 veterans who are not receiving proper engagement⁴.

These vacancies have a tangible impact on the VR&E program's ability to deliver equitable and timely services. They also harm the remaining counselors who must assume a more significant workload, including the administrative burden. PVA's VCP staff often hear of veterans not receiving timely assistance with their applications, which sometimes take weeks longer to complete than they should.

Our VCP counselors also report often struggling to connect with VR&E counselors. They are sent contact lists with incorrect/incomplete information or end up going down website rabbit holes that never yield a human on the other end. If they cannot contact VR&E counselors, imagine how hard it is for veterans with significant disabilities to do so.

VA has made strides to achieve and maintain a 1:125 ratio for counselors to veterans. As of August 2022, enrollment for the VR&E program across all tracks was 78,824, with an additional 12,303 applications pending. Assuming all pending applications are approved, the total enrollment would be 91,127. With the current VR&E staffing of 884 counselors, the ratio as of August 2022 would be 1:103, well below the 1:125 ratio. However, despite the caseload being below the amount prescribed by Congress, counselors are exhausted by administrative burdens. The VR&E counselor turnover rate remains a persistent problem, too. From February 1, 2022, through July 31, 2022, VA lost 39 counselors across the program (meaning VSOC, IDES, and traditional VR&E Counselors).

Increase Utilization of Independent Living and Self-Employment Tracks

Two of the five tracks for the VR&E program, Independent Living and Self-Employment, seem to be underutilized and relatively unknown. The Independent Living track provides services that enable a veteran to live independently in their day to day lives. This could mean counseling, psychological, or education services, and possibly even a housing grant to ensure that daily tasks can be achieved despite a veteran's disability. If used, the Independent Living track is one of the most impactful tracks VR&E offers and it is critical to improving the rehabilitation experiences of catastrophically disabled veterans.

As of August 2022, only 417 veterans were enrolled in the Independent Living track, the lowest enrollment over the past four years. It should be noted that the Specially Adapted Housing program, which serves veterans with catastrophic disabilities, provided more than 2,300 housing adaptation grants in Fiscal Year 2021. PVA's national service officers have reported several successful outcomes for disabled veterans enrolled in the Independent Living track, but based on the number of participants we remain concerned that awareness and understanding of this track is limited.

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⁴ VA Request for Information dated March 2022

Veterans with catastrophic disabilities risk falling outside of the labor market which could mean decreased financial security, a loss of social opportunities, and a decreased sense of purpose. VA's VR&E program provides critical access to needed services and support for these veterans.

The Self-Employment track is also underutilized. As of August 2022, only 164 veterans were enrolled. The Self-Employment track is an amazing resource for veterans who may experience barriers to employment due to their disability, however, the criteria for eligibility seems to hamper enrollment. The narrow window of eligility appears to limit the number of successful outcomes for this track.

A recent report published by the National Disability Institute on the challenges faced by business owners with disabilities notes that start up capital is often a barrier to launching a small business.⁵ For veterans with significant disabilities looking to branch into entrepreneurship, this track should provide a viable option for them to gain meaningful employment. Unfortunately, PVA members have struggled over the years to gain enrollment in this important track. Awareness, education, and understanding of the Self-Employment track needs to increase. One way to increase participation in this track would be for Congress to pass H.R. 7396, the Veteran Eligibility for Necessities to Undertake Rewarding Entrepreneurship Act, or VENTURE Act, which would expand eligibility for this life changing benefit. In addition, we believe that the VA Office of Inspector General should audit the Self-Employment track to ensure proper utilization and evaluate if additional resources are needed.

Final Recommendations

In order to ensure that VR&E services meet the needs of veterans, PVA recommends that VR&E hold a monthly stakeholder engagement call to keep stakeholders abreast of program participation rates and successes. This would allow VR&E leadership to hear directly from VSOs providing support to veterans about any issues being encountered at the local level.

Also, the VR&E program should include VSOs as part of their discussion for the development of their next case management system (CMS). VSOs engage with VA data frequently to conduct oversight, to help draft legislation to fill voids in services, and to assess the program's impact. By leaving VSOs out of the discussion about what the next CMS should capture, VR&E is losing critical insight and perspective.

PVA thanks the Subcommittee for the opportunity to express our views and we welcome any follow-up questions you may have.

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⁵ Small Business Ownership by People with Disabilities (national disability institute.org), April 2022

<u>Information Required by Rule XI 2(g) of the House of Representatives</u>

Pursuant to Rule XI 2(g) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2022

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$ 437,745.

Fiscal Year 2021

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$455,700.

Fiscal Year 2020

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events — Grant to support rehabilitation sports activities — \$253,337.

Disclosure of Foreign Payments

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.