STATEMENT OF NICK PAMPERIN, EXECUTIVE DIRECTOR VETERAN READINESS AND EMPLOYMENT SERVICE VETERANS BENEFITS ADMINISTRATION DEPARTMENT OF VETERANS AFFAIRS BEFORE THE COMMITTEE ON VETERANS' AFFAIRS SUBCOMMITTEE ON ECONOMIC OPPORTUNITY U.S. HOUSE OF REPRESENTATIVES

"VETERAN READINESS AND EMPLOYMENT: IS VA SUCCEEDING?" September 15, 2022

Good morning, Chairman Levin, Ranking Member Moore, and Members of the Subcommittee. Thank you for the opportunity to appear before you today to discuss the Department of Veterans Affairs' (VA) Veteran Readiness and Employment (VR&E) program. Accompanying me today is Matthew Manning, Director of Acquisition, Head of Contracting Activity, Office of Mission Support, Veterans Benefits Administration (VBA).

The mission of the VA VR&E program is to assist eligible Service members and Veterans with service-connected disabilities and an employment barrier prepare for, obtain and maintain a suitable career or maintain a life of independence. VA achieves this mission by providing hands-on counseling services to ensure that Veterans' goals are not only achievable, but attained. As of September 2022, VA employs over 1,100 professional Vocational Rehabilitation Counselors (VRC) and delivers services through a network of nearly 350 office locations. VA's service-delivery model works to support Veterans where they are located and includes operations at all 56 Regional Offices (RO), approximately 142 out-based sites, 70 Integrated Disability Evaluation System (IDES) installations, and 104 VetSuccess on Campus (VSOC) schools/campuses. In fiscal year (FY) 2020, the VA VR&E program had approximately 120,000 active Veteran and Service member participants. During FY 2021, VR&E benefits totaled over \$1.4 billion in support of the 125,000 participating Veterans and Service members and assisted 17,874 Veterans and Service members to obtain education and technical skills, acquire suitable employment, or improve their independence in living.

At the start of the COVID-19 pandemic in March of 2020, VA seamlessly shifted from an in-person model of service delivery to a virtual counseling posture by using VA Video Connect (VVC). VA Video Connect allows VR&E counselors to provide high-quality counseling services without disruption of services throughout the pandemic. Prior to the pandemic, in November 2018, VR&E deployed tele-counseling and completed nearly 19,000 appointments during the first year. In 2020, that number grew to over 106,330 tele-counseling appointments, in part due to the COVID-19 pandemic and greater adoption among the VR&E Veteran population. VR&E continues to use VA Video Connect to reach Veterans and has scheduled over 275,000 tele-counseling appointments since the COVID-19 pandemic began. Due to the overwhelming success of providing continuity of services to program participants, VR&E was able to leverage this platform Specifically, the software was able to provide support to Pension and Fiduciary Service (P&FS) by assisting in the development of a stand-alone instance of

VA Video Connect. Both P&F and VR&E continue to provide VBA benefits to those Veterans in hard-to-reach areas and underserved communities using VVC.

Throughout the pandemic, the VA VR&E program continued to improve services delivered to Veterans and assist them to achieve their goals. In June 2020, VA implemented the Electronic Virtual Assistant (e-VA). This tool gave Veterans the capability to communicate with their counselors by email and text messaging to schedule appointments digitally, giving Veterans multiple means of communicating with their counselors. Since inception, e-VA has coordinated over 941 thousand communications (email/text messages) on behalf of Veterans and more than four million communications on behalf of VR&E field staff. e-VA has automated documentation of routine communications and improved continuity and quality of case management by documenting over 14 million case notes and Veteran to Counselor interactions. Currently, over 96% of Veterans participating in VR&E services have enrolled in e-VA and actively use the platform to communicate with their counselor.

As the pandemic continued, VA was forced to suspend traditional job fairs held throughout the country. However, the VA VR&E program's employment services quickly pivoted its job information and referral delivery model from in-person to virtual events. During FY 2022, the VA VR&E program held 18 virtual national career fairs with 41 partnering employers. VA leveraged e-VA to send targeted notifications to Veterans in Job Ready Status, providing them with targeted information on careers that matched their identified employment goals. Over 33,000 Veterans registered for these fairs. In June 2022, VA launched an "Employment Extravaganza," which featured a career fair every Tuesday, Wednesday, and Thursday for 5 weeks. VA highlighted a different employer each session, and over 13,000 Veterans registered for the Employment Extravaganza, of which 7,000 were VR&E program participants. VR&E program participants report that the career fairs hosted by VA provide them with access to appropriate career matches with highly sought-after employers and opportunities to work in their desired setting such as virtual, remote, or in-person. Over 500 Veterans were hired as a result of the virtual job fair events.

VA developed a six-point plan in FY 2022, which identifies areas of focus for the VR&E program. The focus areas are crafted to ensure improved service delivery to Veterans and include the acquisition and delivery of 1) Readiness and Employment System (RES), formerly known as Case Management System (CMS); 2) e-VA and other system enhancements; 3) VSOC; 4) Employment Services; 5) Quality Review Teams; and 6) VRC Recruitment and Retention.

Readiness & Employment System (RES)

In 2018, VA embarked on a comprehensive multi-year effort to improve the Veteran experience by modernizing antiquated legacy information technology systems, streamlining processes, and increasing responsiveness. One part of this broad modernization effort was the second iteration of the CMS, a new case management platform for VR&E counselors. In 2019, VA awarded a contract to develop the CMS.

However, in 2021, due to multiple delays and concerns about the accuracy of payments, VA suspended the CMS effort and did not exercise future option years under the previous contract.

In December 2021, VR&E Service, together with the VBA Strategic Program Management Office and the MITRE Corporation, undertook an expanded Integrated Project Team (IPT) to develop a new acquisition strategy with the goal of delivering a successful modern case-management system. This effort involved dozens of partners across multiple lines of business throughout VA, who conducted a comprehensive analysis of the previous efforts including a full review of previously developed requirements, which generated the need to create use cases which were not part of prior efforts. The new acquisition package includes 218 requirements, of which 112 are new, and 73 use cases. The IPT conducted extensive informal market research to ensure that it developed an effective Request for Information (RFI). On May 17, 2022, VA released an RFI to industry for input. When the RFI closed and all responses were reviewed, VA used the resulting analysis to enhance several areas of the acquisition package. The results of the RFI also indicated that there are multiple vendors able to support VA's needs. VA is also planning post-acquisition by assessing costs and resource needs to effectively implement and maintain the solution.

The RES IPT has developed a robust acquisition strategy and package. VA is currently on target to release the Request for Proposal for competition before the end of the first quarter of FY 2023 and award the contract in March 2023. RES will leverage automation, where appropriate, to reduce the need for manual entry and calculations, resulting in more timely and accurate payments to Veterans. In addition, it will reduce the manual functions currently performed by VRCs such as the processing of eligibility determinations and award calculations, which will allow counselors to spend more time with Veterans on their employment goals. RES will improve the employee experience by automating routine administrative functions.

Veterans and VR&E counselors deserve a modern case-management system and taxpayers demand that we are good stewards of their dollars. It takes time to ensure that we have the right requirements, solutions, and acquisition strategy. The time spent learning from the past and developing a plan that is responsive and future-focused has resulted in a strategy and acquisition plan that will deliver on the promise of a new case-management system.

VR&E Automation, e-VA and System Enhancements

While VA continues to develop and deploy RES, it continues to enhance current systems for improved delivery of Veteran services. During FY 2022, VA developed a document and letter repository within e-VA, as well as electronic signature capability. The first phase of this new capability will be deployed at the beginning of FY 2023 and will greatly enhance the customer experience. Veterans will experience an agile system that allows them to sign documents without the need to print or scan. The new functionality will give Veterans the ability to review, sign, and return required VR&E

program documentation using text or email. Veterans in more rural, hard-to-reach areas will now have the capability to maintain consistent communication with their counselors and provide follow-up documentation with the click of a button. The system will be accessible for Veterans with disabilities, allowing for the use of assistive technology. The second phase of the e-VA enhancement will allow for the automatic upload of documentation from e-VA into the Veteran's electronic claims folder (eFolder) in the Veterans Benefits Management System (VBMS) and will replace the current multi-step process of VA personnel manually uploading VR&E program forms and letters to the VBMS eFolder. Phase 2 functionality is scheduled for nationwide RO release by the end of the third quarter, FY 2023.

Both e-VA and VA Video Connect have improved how Veterans contact their counselors and receive the services to which they are entitled. Since e-VA deployed in June 2020, it has documented over 14 million case notes and communicated with over 270,000 programs participants. Additionally, since its deployment in November 2018 (Q1 FY 2019), Veterans and their counselors have scheduled over 582,000 counseling appointments through VA Video Connect. VA Video Connect has enabled Veterans to schedule appointments that work for them and can communicate with their counselors across numerous platforms, using technology that makes sense for the individual Veteran.

In October 2019, VA implemented the Invoice Payment and Processing System (IPPS), which has dramatically reduced payment times to schools and bookstores. IPPS is an electronic payment and processing system, which eliminated the paper-intensive and manual process of invoice payment, reducing delays in schools and bookstores being paid in a timely manner. Since its inception, IPPS has paid out over \$1.8 billion. In FY 2021 alone, IPPS disbursed over \$603 million directly to schools, universities, and bookstores. As of August 2022, 99.89% of payments to schools and bookstores have been made in under 60 days, and 99.34% of payments were made in under 30 days.

In FY 2020, VA updated and revised its VR&E program agency guidance, or M28C, to a live interactive platform, enabling the user to link directly to pertinent provisions of the U.S. Code provisions and federal regulations. The updated manual is presented in a more concise and consistent manner and is available on the internet as a forward-facing resource for Veterans, Service members, and Veterans Service Organizations.

VetSuccess on Campus (VSOC)

In 2009, the VSOC program began at the University of South Florida and has since expanded to over 104 locations in 30 States, serving student Veterans, Service members, and a dependent population of nearly 86,000. The VSOC program aims to help these beneficiaries succeed and thrive through a coordinated delivery of oncampus benefits assistance and counseling, leading to completion of their education and preparing them to enter the labor market in viable careers. The VSOC workload is more generalized than that of a traditional VRC. VSOC counselors spend 75% of their

time providing VA benefit information, identifying available resources, and performing outreach activities. The remaining 25% of their time is spent providing counseling services. The VSOC program has grown in popularity and serves an important VA function.

VSOC counselors need specialized training at the master's level with a focus on Vocational Rehabilitation Counseling. To ensure that the critical skill set of Vocational Rehabilitation Counseling is focused on providing counseling services, VA is reviewing the requirements and functions of the position to ensure that VR&E is recruiting individuals with the appropriate skill set to provide effective support for Veterans, Service members, and dependents on university campuses.

Veteran Employment

VA has been using available data to reach out to Veterans in particular employment fields. For example, in FY 2022, VA developed communications and employment information on cybersecurity and the trucking industries based on available data such as skills training programs, labor market, and employer vacancies. VA is diligently working to help address critical shortages in the national labor market in critical skill domains as well as support under-served populations such as formerly incarcerated Veterans.

VA has partnered with the Department of Labor's Veterans' Employment and Training Service (VETS) to facilitate the military transition and ensure Veterans and Service members have access to viable employment opportunities. Meaningful careers facilitate social connectedness, a sense of purpose, and financial stability. Our partnership maximizes employment outcomes and promotes the advancement of equity, inclusion and accessibility in underserved communities. The partnership has led to a pilot designed to increase the number of VR&E participants in apprenticeship programs, implement cross-training, and develop a national referral system promoting access to immediate services despite geographic location.

However, VA recognizes that more needs to be done to ensure Veterans are ready to enter the labor market upon completion of the VR&E program. During FY 2022, VA embarked on a plan to overhaul the VR&E program employment services, a plan coined "Employment Services 2.0." Employment Services 2.0 will work to ensure that each Veteran has access to a highly trained employment professional who is knowledgeable about the local labor market, has professional relationships with employers, and is proficient at providing Veterans with the employment acquisition skills that lead to a Veteran hearing the words, "You're hired." Employment Services 2.0 seeks to standardize the Employment Coordinator position in the field, develop new targets and goals specific to employment, increase rates of Veteran employment, and ensure that the VA VR&E program has a robust relationship with employers.

Quality Review Teams

VR&E has worked to improve consistency and quality in its program to ensure a positive experience for Veterans. VA began an internal study of quality and compliance in June 2022 through the Quality Assurance Improvement Program (QAIP) workgroup. The goal of QAIP is to improve the quality and consistency of service delivery through improvements to the quality assurance program. While the VR&E program is exceeding quality targets for program outcome accuracy and fiscal accuracy, VA continues to enhance services. VA is also developing additional enhancements to its VR&E Quality Assurance program, to include the establishment of Quality Review Teams to conduct case reviews that assess individual counselor performance.

VR&E Staffing, Recruitment and Retention

VA is authorized 968 VRCs which are allocated by Veteran population among the 56 ROs nationwide. VA employs an additional 98 IDES counselors at 70 military installations. In FY 2021, IDES counselors served 16,560 transitioning wounded, injured, or ill Service members. In FY 2022, through August, IDES counselors served 14,142 Service members. VA engages 86 VSOC counselors at 104 schools/campuses. In FY 2021, VSOC counselors served 23,100 student Service members, Veterans and dependents (collectively called "student Veterans") on those campuses. In FY 2022, through August, VSOC counselors served 19,736 student Veterans. As authorized by § 248 of Division J of P.L. 117-103, the Consolidated Appropriations Act, 2022, VA maintains a counselor-to-Veteran ratio of 1:125. As of August 2022, the Veteran-to-counselor ratio was 1:123.

A VRC must have a master's degree in Rehabilitation Counseling, Counseling Psychology or a related field,30 semester hours of vocational rehabilitation-related coursework, as well as an internship or specialized work experience in rehabilitation counseling. There are fewer individuals enrolling in Rehabilitation Counseling programs and fewer schools offering this specific counseling degree. To address this challenge, the Veterans' Advisory Commission on Rehabilitation (VACOR) is developing recommendations to build partnerships with postsecondary institutions.

In addition to collaborating with VACOR, VA has undertaken a multi-prong approach to address hiring challenges. VA collaborates with institutions of higher education, State agencies, and other partners to recruit highly trained and experienced VRCs. VR&E Service is currently working with its VBA Office of Field Operations, VBA Human Capital Services, and the Office of Personnel Management to post a national VRC recruitment on USAJOBS.gov to streamline and effectively expedite review of applicant qualifications. This will eliminate the need for ROs to develop individual hiring packages when they have vacancies and allow improved agility to identify and hire candidates faster. The second effort is to develop a VRC national recruitment strategy. VA expects to have a national recruitment plan by the end of FY 2022, with implementation during FY 2023. The third prong of the approach is to retain existing staff. During FY 2023, VA will emphasize the development of a national retention program within VR&E Service, to retain staff with VR&E experience and expertise and

provide continuity of services to Veterans. VA is committed to succession planning and employee development for VR&E RO staff.

VR&E Service, in conjunction with VACOR, is also developing opportunities to increase partnership with the Department of Education, through its Rehabilitation Services Administration for the training and development of new counselors. VA has also invested in a Future Leaders Development program for current VR&E RO staff. In the previous 3 years, training has been provided to 45 individuals, of whom 19 have been promoted within VR&E. VA supports VR&E personnel who participate in VBA and VA-wide developmental programs such the Leadership Enhancement and Development Program, the Leadership Enrichment and Progression Program and Leadership VA. These efforts toward employee recruitment, development, and retention are critical with an anticipated increase in VR&E program applicants due to the recently enacted P.L. 117-168, the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022., the "PACT Act".

VR&E Program Experience and Outcomes

VR&E is constantly working to improve the Veteran experience. The VR&E program is undergoing a large survey effort, leveraging the Veterans Experience Office and Veterans Signals to understand the Veteran's journey with the VR&E program and how to improve Veteran satisfaction with VR&E. This effort will help VA understand how and when to engage with Veterans, clarify expectations for Veterans regarding the VR&E program, and understand how best to improve operations to improve their experience. This effort began in April 2022, and the Veterans Signals survey is expected to deploy in November 2022. Survey results are expected to be available on a web-based dashboard by the end of the second quarter of FY 2023. These results will help inform VA in developing a service recovery plan to improve the Veteran experience.

In FY 2020, over 120,000 participants received VR&E services, and that number increased to over 125,000 in FY 2021. As of August 2022, the VR&E program has experienced a 23% increase in applications compared with the previous FY, processing over 98,700 applications. Despite the increased volume of applicants, VA reduced the time to render an eligibility determination by an average of 20 days. In FY 2022 through August, Veteran eligibility determination takes an average of 10 days, as compared to last year, when it took an average of 30 days.

The VR&E program is a Veteran-centric and outcome-focused benefit. The personal experience is critical in each Veteran's journey in the program. The VR&E Longitudinal Study is published annually and follows three cohorts of former VR&E program participants over a 20-year period. The Longitudinal Study has found that Veterans who achieve rehabilitation report higher annual incomes than discontinued participants by at least \$22,000 annually. Additionally, the rate of home ownership for rehabilitated Veterans in all cohorts is at least 74%, higher than the national average of

65%. The study has shown that nearly 90% of all participating Veterans have moderate-to-high levels of satisfaction with the VR&E program.

VR&E is a critical VA program that ensures Service members and Veterans are afforded opportunities to lead successful, integrated lives following a disability or injury caused by service. VR&E counselors act as champions through the Veteran's journey; Veterans remember the names of their counselors years after they have left the program. The support that VR&E provides for skill acquisition, college education, apprenticeship or certifications, resume and interview assistance or critical disability counseling is apparent in communities across the country where Veterans work and live.

Conclusion

Mr. Chairman, VA will continue to modernize the VR&E program with an emphasis on positively impacting our Service member and Veteran clients, as well as our dedicated staff in the field. VA looks forward to continued opportunities of working with Congress to address Veterans' concerns to provide a better experience. VA appreciates the support of this Subcommittee as it continues its effort to modernize its VR&E program. This concludes my testimony. My colleague and I welcome any questions you or other Members of the Subcommittee may have.